

About The Author



Avtar Singh Bhasin (b.1935) B.A (Hons); M. A in History. Initially he had short stint of service in the National Archives of India and the Ministry of Defence before joining the Ministry of External Affairs where he served for three decades, retiring in 1993 as Director of Historical Division. He has served in the Indian missions in Kathmandu, Bonn, Vienna and Lagos. He travelled to several other countries in the discharge of his duties in the Ministry. Some of the countries visited were USA, China, South Africa, Kenya, Zambia, Malawi, Botswana, Russia, Ukraine, Belarus etc. He was member of several ministerial and official delegations for discussions with various countries both in India and abroad.

Since his retirement he has taken to academic research. He was Senior Fellow of the Indian Council of Historical Research from 1994 to 1996. He was Honorary Fellow of the Institute of Contemporary Studies, Nehru Memorial Museum and Library from 1997 to 2001. He has authored and edited several books on South Asian affairs. He also contributed several articles in newspapers on developments in the neighbouring countries. His seventy-five pieces on Partition and Freedom were published in the Asian Age consecutively from June 1 to August 14, 1997 coinciding with the Golden Jubilee celebrations of the Indian Independence.

INDIA'S FOREIGN RELATIONS - 2007
DOCUMENTS
PART – I

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DOCUMENTS
PART - I

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1. She succeeded Dr. APJ Abdul Kalam on July 25, 2007.

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INDIA'S FOREIGN RELATIONS – 2007

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PREFACE

The series India's Foreign Relations, showcasing, as the name implies, documents on India's foreign relations is published annually. Since its launch in 2005, volumes for 2002, 2003, 2004, 2005 and 2006 have made their appearance. The present is, therefore, the 6th in the series. It is published in cooperation with the Public Diplomacy Division of the Ministry of External Affairs, Government of India.

A look at the Contents would show that the debate on India – US Civil Nuclear Energy Cooperation Agreement dominated the foreign policy discourse during the year. The position taken by the Left Parties on the subject was an important element in this debate. Since the Left Parties provide outside support to the Government in Parliament, their stand on this vital policy matter, impacted the domestic politics of the country. The Bharatiya Janata Party, as the principal opposition party and the party which initiated the process of strategic cooperation with the United States when it was in power, under the innocuous heading “Next Step in the Strategic Partnership” also found fault with the proposed agreement on several counts. To give a comprehensive picture of the developments during the year, it became necessary, therefore, to deviate from the past practice of including only the official documents in the compendiums in this series. As would be observed, the statements and resolutions of the Left Parties and the BJP on the subject have been given a place in the Appendix attached to Section-II on Civil Nuclear Energy Cooperation. To complete the picture, editorials in the national newspapers and views of the intellectual community on both sides of the spectrum have also been included.

As relations with the United States were dominated by the debate on Civil Nuclear Energy Cooperation, readers are advised to look at this section also when looking for documents on India – United States relations and *vice a versa*.

The documents have been arranged thematically, region-wise and chronologically. A large number of agreements of diverse nature were signed with various countries during high level visits abroad and in India in the course of the year. Considering the increasing bulk of the collection, agreements that have bearing on strategic and foreign policy issues alone have been included here. However, in the case of neighbouring countries, as per past practice, all agreements even of non-political and non-strategic nature would be found, since India's relations with its neighbours need to be covered comprehensively.

In reproducing the documents every care has been taken to adhere to the original text in every manner including in terms of spellings of proper nouns and punctuations.

For many years, I have been making use of the library of the India International Centre. and received a large measure of logistical support from the officers and staff of the Library. I owe a debt of gratitude to them.

As in the past, preparation of this volume, in such a short time after the close of the year, needed the cooperation of a large number of officers of the Ministry of External Affairs. The list is too long and I express my apologies for not being able to list them individually in expressing my gratitude. However, the names that must find mention are those of Shri Amit Dasgupta, Shri Narender Singh and Dr. Kajal Bhat. My thanks to them. Shri TCA Rangachari has been generous with his time to fine tune the introduction. Thank you, Sir. However, the views expressed in the introduction are only mine and I take full responsibility for them. I too own the responsibility for any deficiency or inadequacy that may be otherwise found in this work.

Avtar Singh Bhasin

**New Delhi,
February 20, 2008.**

INTRODUCTION

The year 2007 was momentous in the history of India's foreign relations since independence in more ways than one. It was for the first time that an issue of foreign policy— the Civil Nuclear Energy Cooperation Agreement with the United States— dominated the discourse of domestic politics and evoked interest on a wide spectrum as never before. It divided the public opinion both vertically and horizontally. It is not only that some political parties differed with the Government on the desirability or otherwise of the agreement, it threatened to upset the ruling coalition government as well. The intellectual community too stood divided vertically. All this, in turn, found expression in large-scale media analysis of the issues involved, for several months. Nuclear scientists, strategic and security experts and political analysts came out with a plethora of articles in the media.

2. The trend of the discussions on civil nuclear energy cooperation with the United States since the Joint Declaration of July 2005, both inside and outside of the parliament, left one with the impression that the proposal was sailing rather smoothly, through the rough waters of Indian politics. The public opinion, particularly the nuclear scientists, appeared enthusiastic at the prospects of the nuclear apartheid that India suffered and endured since the Pokharan – I, nearing its end. There were indeed some hiccups now and then. The government's deft handling by explaining the nuances helped to clear many a cloud, both grey and dark. There were certainly occasions when some pronouncements in the United States Congress and media on the question of proliferation and accusing the US Administration of rewarding India for violating the Nuclear Non-proliferation Treaty, raised eye brows in India but it did not take much time for the government to clarify the position. The United States establishment too extended a helping hand with its assurances and it assuaged the ruffled feathers.

3. Nonetheless no major roadblocks were anticipated in tying the formal knot and sewing up the agreement. The Hyde Act passed by the US Congress and assented to by the U. S. President in 2006, amending the US Atomic Energy Act, 1954, was only an enabling legislation that paved the way for Washington to enter into negotiations with India for cooperation in the civil nuclear energy cooperation. Given the sensitivities of the issues involved on both sides, it took several rounds of discussions between the senior officials of the two countries before an acceptable draft of an agreement emerged, initialed and frozen for final signatures at appropriate levels of the two governments but after the necessary constitutional procedures and other pre-conditions had been gone through. To Prime Minister Dr. Manmohan Singh, the Agreement was a harbinger of great change. In his speech at the dedication ceremony of the Units 3 & 4 of the Tarapur Atomic Power Plant on August 31, he said: "India cannot afford to miss the nuclear bus," and added "There is today talk the world over of a nuclear renaissance, and we cannot afford to miss the bus or lag behind these global developments."
4. The draft, soon after it was made public after Cabinet approval, saw dissenting voices being raised on some fronts. The nuclear establishment and the scientific community by and large were supportive of the agreement and even euphoric that the lifting of the curbs on nuclear cooperation would give a fresh impetus to nuclear research in the country.
5. The point to underline here is that the initialed draft was meant not only to make the path smooth for future cooperation with the United States alone but also with the other 45 countries constituting the Nuclear Supplier Group (NSG) for the civil nuclear energy trade. It is pertinent to point out that the sanctions regime that was imposed on India in the aftermath of the Pokharan- II in May 1998, did not take much time to

fizzle out. However, the denial regime of the Pokharan - I continues to trouble us particularly our nuclear establishment till this day.

6. The official team that negotiated the final draft of the 1 2 3 agreement felt satisfied for having accomplished a difficult task successfully. It was convinced that all the essential Indian concerns were taken care of, even as some adjustments were made to meet the concerns of the other party. An Agreement by its very nature is a compromise document of the sovereign interests of sovereign powers putting their seal to it.
7. In anticipation of the end to the nuclear denial regime, both France and Russia, keen on nuclear cooperation with India, had signed in-principle agreements of intent to help New Delhi with its civil nuclear energy development programme. In doing so, both left New Delhi in no doubt that the actual implementation would have to wait, until India signed the India-specific safeguards agreement with the International Atomic Energy Agency (IAEA) and successfully negotiated with the NSG countries for withdrawal of the restrictions on nuclear trade that were in place, the pre-requisite of the now negotiated 1 2 3 agreement too.
8. In the clutter of the debate that followed the publication of the 1 2 3 agreement on the India-US Civil Nuclear Energy Cooperation, the critics lost sight of the fact that in the post-Second World War, concept of sovereignty as an absolute factor, stood heavily eroded. The war itself had shaken notions such as citizenship, national sovereignty and the nation state. Assumptions accepted in pre-war world were swept away by the avalanche of the war. In more than half a century since then, the shape of the world has changed. There was no purpose in clinging to a world that had gone away. As for the horrors, they continue to spill over into distant corners of the globe in new forms devastating civil societies.

There are new challenges which need new responses.

9. Today, we swear by the *mantra* of interdependence. We pride ourselves as living in a global village. The violation of human rights, and undermining of democratic institutions in any country, invites the ire of civil society every where. The governments routinely take position on violation of these norms in any part of the world. Unlike in the past, such expression of concern is considered as legitimate. The erring governments today cannot get away by taking the plea that the issue falls in their domestic domain. They do defer to expression of such concerns. It is not uncommon for governments to amend their labour laws, under pressure of civil society and international organizations because of the concern shown by them on some aspect of their operation, like employment of child labour in manufacturing. Environmental concern is another issue on which nations are being called upon to formulate legislations in line with global needs and requirements. Apex international and national entities such as WTO, EU, chambers of commerce and industry, even voluntary organizations and NGOs, play no less important role in shaping responses to issues of foreign and economic policies and some times the policy itself.
10. In an inter-dependent world, cooperation among nations is possible only on openly and freely negotiated and mutually accepted terms based on give and take. The high growth and social progress, hitherto the attribute of domestic politics have today assumed international ramifications. Neither is possible without foreign investments and modern technology. Narrowing the gap between the rich and the poor, maintaining economic vitality and efficiency, attracting greater foreign investments and enhancing the competitiveness of indigenous industry against globalizing trends, promoting mega projects and at the same time helping the smaller

entrepreneurs to stand competition and survive, are the challenges which no longer can be met in isolation and standing aloof. All these challenges have global dimensions and could be met only in concert with the international community on terms acceptable to all.

11. We, in India, because of our historical experience, are paranoid with the idea of multinational and trans-national entities gulping Indian industry and business and perhaps us, as a nation, politically. We need to get out of the East India Company syndrome. India has come a long way in the last six decades since independence. We are today witness to a phenomenon where Indians are buying out multinationals and transnational conglomerates. This is happening because our national entities have come out of the cocoons in which they were wrapped for too long. They have torn themselves away from the apron strings of the government. They are now playing in an international environment and competing with the best in the world.
12. The strategic need for clean energy, given the new found global concern for environment, poses a new challenge to the foreign policy establishment. India's economic resurgence demands far greater interaction with external factors than before. We need access to international markets, new sources of energy, advanced technologies, and foreign investments on a scale much larger than in the decades following independence. This calls for increasing the bandwidth of our political engagement with the outside world. This means evolving newer responses to the ever-changing ground realities in a world full of uncertainties. In this scenario our response in terms of instruments of policy, tactics and strategy could not be the same as it has been till the other day.
13. In the 21st century there are new and diverse challenges. Each challenge generates a new opportunity and *vice-a* –

versa. We find ourselves at the threshold of an era full of new opportunities. But opportunities run after those who know how to grab them and make best use of them. The Political, economic, environmental and demographic challenges impinge on intra-state conduct of relations. As the complexity and intensity of these challenges dawn on us, the realization of greater interdependence of peoples and nations requiring collective action becomes indeed urgent and critical. It is the acceptance of these basic urges of the globalized world that the World Trade Organization was established that stands tall today. Since development and democracy are mutually reinforcing, the rule of law is equally critical for ensuring economic progress and human development, which in turn contributes to the consolidation of peace.

14. As stated above, interaction among sovereign countries is essentially a matching of sovereign but competing interests. It involves living with contradictions. No written document of any nature can spell out every thing on earth in black and white. There are grey areas which are left vague and unexplained. Reconciling those calls for ingenuity of the highest order. It is the outcome of this interaction that constitutes international relations called diplomacy. Great nations have diverse interests and contradictory challenges to meet. There cannot be a strait jacket or a single approach to them. What is good in one situation may not answer the needs of another since the ground realities may differ. Reconciling these contradictions is an attribute of diplomacy too.
15. A treaty or an agreement is only a statement of broad principles. The taste of the pudding lies in its eating. In the ultimate analysis it is how we conduct ourselves and what benefits we draw out of it, to strengthen ourselves socially and economically would determine the course of our destiny

and not merely a piece of paper on which an agreement may be written.

16. It was to emphasize these positive attributes of the 1 2 3 Agreement that the Prime Minister in his speech in the Lok Sabha on August 13 said:

“...the Agreement is about civil nuclear energy co-operation. It is an Agreement between two States possessing advanced nuclear technologies, both parties having the same benefits and advantages. The significance of the Agreement lies in the fact that when brought into effect, it will open the way for full civil nuclear energy cooperation between India and the United States. We have negotiated this Agreement as an equal partner, precisely because of the achievements of our scientists and technologists in overcoming the barriers placed around us in the past. This is an Agreement based on the principle of mutual benefit.”

17. Assuring the nation through the Parliament, the Prime Minister in the same speech, left no body in any doubt that India cannot be made to compromise on its independence of action. He said:

“...the pursuit of a foreign policy that is independent in its judgement is a legacy of our founding fathers and an abiding commitment of our Government. India is too large and too important a country to have the independence of its foreign policy taken away by any power. Today, India stands on the world stage as an influential and respected member of the international community. There is independence in our thought and independence in our actions.... I would like to reiterate that our engagement today with all global powers like US,

Russia, China, EU, UK, France, Germany and Japan is unprecedented. Engagement with West, East, South East and Central Asia has been significantly stepped up with visible results. We are building new frontiers in our ties with Africa and Latin America. In South Asia we seek to develop a peaceful environment, one which is conducive to ambitious developmental targets. I urge those who question our commitment to an independent foreign policy to display the same degree of confidence in India, as others from outside do...”

18. In appealing the Parliament to support the agreement that the Government had worked out with the United States, the Prime Minister said:

“...there is no question that we will ever compromise, in any manner, our independent foreign policy. We shall retain our strategic autonomy. At the same time, we must not forget India's long-standing commitment to the noble ideas of nuclear disarmament and our refusal to participate in any arms race, including a nuclear arms race..... Our negotiators deserve credit for delivering to the nation an Agreement, which can potentially transform the economic prospects of our country. It is an Agreement that will enable us to meet the twin challenges of energy security and environmental sustainability, and remove the technology denial regimes that have, for decades, been a major constraint on our development. At the same time, it will bring India the recognition it deserves thanks to the outstanding achievements of our scientists in nuclear and space sciences as well as other high technology areas.”

19. The assurances extended by the Prime Minister and the External Affairs Minister both in and outside of Parliament did not take the edge off the criticism of the coalition partners in Left Parties and the main Opposition Party, the Bharatiya Janata Party. For different reasons they remained skeptical of the agreement and the assurances extended to them by the Government.
20. The Bharatiya Janata Party's opposition was predicated mainly on three counts—(i) the Agreement compromised India's nuclear deterrent and future weaponization programme; (ii) compromised India's foreign policy and (iii) made Indian foreign policy subservient. Many found the BJP's opposition ironic, in that it was the party, which when in power had authored the programme. Prime Minister Dr. Manmohan Singh, when he initially explained the contours of the agreement to the BJP leadership, including the former Prime Minister, had said: "I have accomplished what you had initiated". That Party's appreciation of the official team for accomplishing a difficult task successfully did not go unnoticed.
21. The Left parties saw the agreement in a different perspective. They appeared to be paranoid by past prejudices. They were afraid that the Agreement would bind India in an unholy alliance with the United States to sub-serve its global foreign policy goals. In this context India's attitude to Iran's nuclear programme was touted as an example. The Left, too had convinced itself that nuclear energy was not the best and only option to meet the ends of energy security. It was expensive as compared to thermal and hydro power, they claimed. Invoking the National Common Minimum Programme, agreed upon between the United Progressive Alliance and the Left Parties at the time of formation of the Government, following the 2004 general elections, the Left said it was not on its agenda. They further argued that the

Agreement did not meet the assurances held out by the Prime Minister in the past with regard to (i) uninterrupted nuclear fuel supplies; (ii) certain dual use technologies which were barred under the Agreement; and (iii) the 1 2 3 Agreement can be terminated at the discretion of the USA but India would assume certain obligations in perpetuity under the IAEA Safeguard Agreement.

22. The External Affairs Minister in his speech in the Lok Sabha on August 16 assured the nation that there were no grounds to raise doubts about India's ability to maintain its independence of action in respect to both foreign and nuclear policies. He too tried to convince the unconvinced that the agreement did not bar India from conducting a nuclear test, if it became necessary. Mr. Mukherjee said:

"India has the sovereign right to test and would do so if it is necessary in national interest. The only restraint is our voluntary unilateral moratorium on nuclear testing, declared by the previous government and being continued by the successor government. There is nothing in the bilateral agreement that would tie the hands of a future government or legally constrain its options. A decision to undertake a future nuclear test would be India's sovereign decision, resting solely with the Government of India.

Nowhere in the bilateral agreement on Cooperation for Peaceful Uses of Nuclear Energy with the United States of America is testing mentioned. The bilateral cooperation agreement contains elaborate provisions in Articles 5 and 14 to ensure the continuous operation of India's reactors. These include fuel supply assurances, the right to take corrective measures, and a strategic fuel reserve for the life-

time of India's reactors in case of cessation of co-operation."

23. The Left Parties though not part of the ruling United Progressive Alliance were nevertheless important allies, standing in support of the Government, from outside. Their opinion could not be brushed aside. The Government felt obliged to take them on board. To reconcile the differences separating the Alliance and the Left on this issue, a Committee consisting of leaders of both the sides is making efforts to create the necessary consensus that would enable the government to fulfil its international commitment. Meanwhile the Government has commenced negotiations with the International Atomic Energy Agency for an India specific safeguards agreement for the civil nuclear cooperation.
24. As the year 2007 came to a close, the negotiations with the IAEA remained inconclusive. It is hoped that the final agreement would meet the concerns of all and a national consensus would emerge which would enable India to go ahead with the agreement with the United States. Meanwhile several countries principally Russia and France are waiting to extend their helping hand to India to meet its quest for clean energy.
25. Having said that, one might hasten to add that India remains committed to the goal of universal disarmament, particularly nuclear disarmament on a universal basis. The Foreign Secretary Shivshankar Menon in his speech at the International Institute of Strategic studies said as much on May 3rd. He said:

"As for the threat from weapons of mass destruction to international security, we believe that general and complete disarmament including nuclear disarmament must remain on the international

agenda. India's status as a Nuclear Weapon State does not diminish its commitment to the objective of a nuclear weapon free world. Aspiring for a non-violent world order, through global, verifiable and non-discriminatory nuclear disarmament continues to be an important plank of our nuclear policy that is characterized by restraint, responsibility, transparency, predictability and a defensive orientation. We maintain our voluntary moratorium on tests, are ready to engage in negotiations in a non-discriminatory Fissile Material Cut-off Treaty, and we enforce strict and comprehensive export controls, which have now been harmonized with those of the Nuclear Suppliers Group and the Missile Technology Control Regime. We have scrupulously not transferred enrichment and reprocessing technologies to countries that do not have them, and have supported international efforts to halt their spread. Recent events have shown that a new global consensus on non-proliferation is required, based on an equal partnership of responsible states. As a responsible nuclear power with impeccable credentials on non-proliferation, we are ready to be a partner against proliferation, working closely to create a new consensus on which to move forward."

II

26. In the recent years, India's 'Look East Policy' has taken firm roots. Relations with East and South-East Asia received a shot in the arm by New Delhi deciding to integrate the economic development of the States of the North-East India with the region. This part of India on the periphery of the Southeast Asia is a natural bridge between India and Southeast Asia. The essence of this policy was articulated by the External Affairs Minister Pranab Mukherjee, on October

31 at a meeting in New Delhi, participated among others, by Minister for Development of North Eastern Region Mani Shankar Aiyar and Chief Ministers of all the North Eastern States besides the Union Ministers of Home, Defence, Finance, Road Transport and Highways. Mr. Mukherjee said:

“Essentially, what we are looking at here is a new paradigm of development whereby our foreign policy initiatives blend seamlessly into our national economic development. Given that we have, over 15 years of pursuing our Look East Policy, put in place certain diplomatic and political structures, there is need now to make these structures work for our North Eastern Region. Diplomatic initiatives urgently need to be converted into commercial opportunities. For this purpose, MEA will work in close cooperation with the Ministry for the Development of the North Eastern Region, the Planning Commission, all economic ministries and the State governments.”

27. The interventions made by the Chief Ministers of North Eastern States at the meeting focused primarily on the present state of connectivity and of infrastructure available in the North Eastern States, capacity building, future potential for export and tourism, the possibility of institutional cooperation in training and research and on-going action being taken by State Governments with a view to dovetail national development strategies with various foreign policy initiatives. Mr. Mukherjee on his part assured that the Ministry of External Affairs “will take all the necessary initiatives in the pursuit of Look East Policy, as would especially benefit the North East region of India. The development policies of the northeastern region should also be directed to attain greater connectivity with the region next door.”
28. The Public Diplomacy Division of the Ministry of External Affairs during the course of the year organized seminars and

discussions in the northeast to get the input from a larger body of public opinion in its push to the Look East Policy. This was a new experience, particularly for the people of the Northeastern region, who in the past found themselves at the margins in the formulations of foreign policy. It marked a paradigm shift from the standard practice whereby the foreign relations were treated as an esoteric subject for discussion among a few occupying the official hierarchy, academia and the intellectuals. The Public Diplomacy Division is, to that extent, the harbinger of a change in mindset. There is realization that the issues, even of foreign policy, have a bearing on the lives of the people at large, and they needed to be involved in the debate and discussion to formulate an inclusive policy.

29. Bilateral ministerial visits to some of these countries and the East Asia and ASEAN Summits participated in by the Prime Minister himself had helped to project the invigorated image of India in the region, where the subtext is the pending challenge in negotiating bilateral and multilateral free trade agreements. Another dimension of this policy in the coming years would be the ability of New Delhi to go along with the initiative of quadripartite forum of major Asia-Pacific Democracies given the Chinese discomfort.
30. It is the ancient links of India to the greater East Asian region that highlighted the overarching cultural setting in the year 2007. The exhibition "On the Nalanda Trail" in Singapore that coincided with the ASEAN Summit and the revival of the Nalanda University, was a reminder to the East Asian countries of the links that ancient India had with them. It sought to emphasize the cultural homogeneity of the region with India.
31. In this context it would be relevant to recall the remarks of Singapore Prime Minister Lee Hsien Loong at the reception hosted by him for the EAS leaders: "The ancient university

in Nalanda was not just devoted to Buddhist studies. It was also a first-class educational institution and the most global university of its time. ... The new Nalanda (university) should strive to perform a role consistent with this original ethos and vision. It should be a great intellectual centre, an icon of the Asian renaissance. ... It should also be a centre of civilisational dialogue and inter-faith understanding as the original Nalanda once was. In this way, the Nalanda project can be an inspiration for the future of Asia.”

32. The success of Northeast as the cutting edge of our Look East Policy, could pave the way for similar developments in other bordering areas as well. The problems of development and of administration of areas bordering Bihar and Nepal have a lot in common; Indian Punjab with the Pakistani Punjab, Tamil Nadu with Sri Lanka and West Bengal with Bangladesh. As the political situation in the neighbouring countries stabilizes in course of time, the State Governments in India could be counted upon to spearhead a new policy momentum towards these regions. Until then, it would be fruitful for these regions to be conscious and aware of the developmental trends across their borders. As the classic diplomacy develops new shibboleths under the pressure of globalization, the foreign policy establishment too needs to look for new instruments in the coming decades. This could perhaps be one of them!!

III

33. In the year 2007 several milestones in bilateral relations between India and China were reached. The high point of this relationship was the new area of cooperation in the defence sector. The first defence dialogue under the MOU on Defence Cooperation signed in 2006 took place in November. General JJ Singh, Chief of the Army Staff visited China in May and received a warm welcome. In

June the Defence Minister during his visit to Singapore to take part in the Security Dialogue met with the Chinese Deputy Chief of General Staff Gen. Zhang Qinsheng. The first ever joint military exercises between the armies of the two countries were held in the third week of December in the Chinese province of Yunnan. The Spokesperson of the Chinese Ministry of Foreign Affairs in Beijing described the exercises as “helpful in building mutual trust and promoting cooperation” and favoured an increase in such activities to improve stability and security in the region. External Affairs Minister Pranab Mukherjee described them as part of security strategy and said they would continue. It was indeed a new and important chapter in Sino-Indian relations.

34. As a confidence building measure, the Foreign Ministries of the two countries have been linked by a hot line. New Consulates have started operating in Guangzhou in China and Kolkata in India. The Chinese airlines have added new air-routes and flights between the two countries. China and India also mutually hosted the Year of Culture in each others countries.
35. To find a solution to the boundary question three rounds of dialogue between the Special Representatives of the two countries took place in 2007. Altogether eleven sessions of boundary talks, in the four years since the Special Representatives were appointed for this purpose in 2003, have been held.
36. On October 25 the External Affairs Minister told a press conference in Harbin, on the sidelines of the India-China-Russia Trilateral Summit that at the 11th round of boundary talks held in September, it had been decided to set up a Working Group to prepare the framework for the resolution of the boundary question. He expected some thing positive

to come out of this new exercise and said: “Let us wait for the recommendations of the Working Group.”

37. In recent months the un-demarcated Line of Actual Control (LAC) held by the two countries on the ground, gave rise to some misunderstanding. The media reports said that the Chinese were guilty of intrusions into the Indian territory in the Eastern Sector. The Government of India in trying to allay these apprehensions said in Parliament on November 22 that this was necessarily due to “the perceptions of the LAC,” which overlapped “at many places”.
38. Despite this, the reports of ‘intrusions’ persisted and the Defence Minister on December 1 assured the suspecting media: “There was no incursion by the Chinese troops in Indian territory, be it in Sikkim or Arunachal Pradesh.” He however added that there might have been isolated incidents on the borders arising out of the difference of perception on territorial jurisdiction between the two countries and expressed confidence that all minor problems and differences of perception would be resolved through negotiations. He described China as “our strategic partner”.
39. At the political level there were several high level meetings between the leaders of the two countries. The Prime Minister met the Chinese President Hu Jintao in Berlin on the sidelines of the G-8 Outreach Conference. He utilized this opportunity to allay Chinese apprehension that India by joining the United States, Japan, and Australia in a quadrilateral cooperation was ganging up against China. He assured Beijing that the quadripartite was only for exchange of views on developments from their experiences as democracies. It had no security implications and the Chinese President was satisfied with this clarification.
40. The Prime Minister met the Chinese Premier Wen Jiabao twice—once in Cebu (Philippines) in January and second

time in Singapore in November on the occasion of the India-ASEAN Summit. At the Singapore Summit the two leaders reiterated their readiness to take the India-China Strategic and Cooperative Partnership for Peace and Prosperity to a new level. Premier Wen conveyed that friendship with India was the strategic and long term objective of China. The Prime Minister reiterated to Premier Wen that India attached great importance to its partnership with China, and was resolved to ensuring the comprehensive development of bilateral relations for mutual benefit and on the basis of mutual sensitivity to each others' concerns. Both the leaders reiterated their readiness, to see a fair, reasonable and mutually acceptable solution to the Boundary Question. They too expressed satisfaction at the progress that is being made by the Special Representatives in this regard.

41. The Chinese Foreign Ministry described the meeting between the two leaders as marking "long-term friendship, mutually beneficial cooperation and common development between the two countries (which) will have a profound impact on Asia and the world at large. Facts prove that the development of friendship and cooperation between China and India has brought pragmatic benefits to the two peoples and has promoted South-South cooperation as well as peace and development in the world". On the question of border talks, Prime Minister Manmohan Singh said it was his Government's political will to settle the border issue and his country "will make joint efforts with China to overcome difficulties and push forward the negotiation over it, under the political principles reached by the two countries."
42. According to the Indian officials, Mr. Wen was "supportive of international civil nuclear energy cooperation with India." It may be added in parenthesis that the visit of Dr. Manmohan Singh to China in January 2008 provided an opportunity to the leaders of the two countries to take the friendship to still

higher levels and help in resolving the outstanding question of the boundary to the satisfaction of both the countries.

43. On the question of expansion of trade and other economic relations, External Affairs Minister Mr. Mukherjee, speaking on June 16 to journalists on the sidelines of a seminar on “Look East Policy,” organized by the Public Diplomacy Division of the Ministry of External Affairs in Shillong, underlined the role of trade in the promotion of bilateral relations and said issues such as trade and commerce with China could not be kept pending till the resolution of the border dispute. Bilateral trade is galloping forward. In 2006, the trade volume between the two countries had crossed 25 billion US dollars, a rise of 33.8 per cent over 2005. That in itself was an increase of 37 per cent over 2004. The bilateral trade in 2007 has galloped to \$ 38.5 billion thus almost touching the target set for 2010 of \$ 40 billion two years in advance. It is the vision of the leaders of the two countries that this figure would surpass 60 billion US dollars by 2010. It is another matter that India which had a surplus balance of trade with China only a few years ago is now running a deficit. The deficit which was around US \$ 1 billion in 2001, touched \$ 11 billion in 2007. The other disquieting feature of this trade for India was that while Chinese exports were mostly capital and manufactured goods, India’s export basket consisted mostly of primary goods. Along with the rising trend in trade, there was an increase in the presence of Indian business and industry, banks, consultants and law firms in China.
44. China is pressing a reluctant India for a Regional Trade Agreement as well as for recognition of China as a market economy. New Delhi is shying away from both because of the suspicions of the Indian business and Industry that there were hidden subsidies in Chinese pricing system and it lacked transparency. These issues would form part of the India-China economic agenda in 2008.

IV

45. With Japan there is an all-round relationship covering several fields of activity. Apart from strategic and global partnership that India enjoys with Japan, the economic relationship has several hopeful features. A major project already under execution is the Delhi Metro. Those on the anvil are dedicated freight corridors – Delhi-Mumbai, Delhi-Kolkata; and a Delhi-Mumbai industrial corridor. The bilateral trade is expected to touch the level of US \$ 20 billion by 2010. During the visit of the Japanese Prime Minister to New Delhi in August, after the successful visit of Dr. Manmohan Singh to Japan in December 2006, the importance of delivering a high-quality and mutually beneficial EPA/CEPA that reflected the strategic importance of bilateral relations and fully harnesses the potential of the economic relationship, was reaffirmed.
46. Prime Minister Shinzo Abe presence in New Delhi in August provided the opportunity to further strengthen the strategic partnership and cooperation in various fields. The visit set forth a road-map for “New Dimensions to the Strategic and Global Partnership” between the two countries in fields, like maintaining the safety and security of sea lanes in the Asia Pacific and the Indian Ocean regions, and fight against transnational crimes, terrorism, piracy and proliferation of Weapons of Mass Destruction.
47. A system of annual strategic dialogue between the foreign ministers of the two countries, starting with the talks held in March 2007, injected a new dynamism in the bilateral relations. A new chapter in this direction was the series of decisions between the two prime ministers, to continue to hold regular dialogue between the National Security Advisor of India and the Japanese counterpart, commencement of bi-annual Foreign Secretary/Vice Minister level dialogue and the launch of an exchange programme of young diplomats in order to promote mutual understanding between the two Foreign Offices.

48. The new paradigm shift was the recognition of the two prime ministers that “common interests of the two countries in the defence and security fields require steady and qualitative up-gradation of cooperation between the two sides, including inter alia the expansion of the annual calendar of cooperation and exchanges relating to defence and security, regular Defence Policy Dialogue, cooperation in sharing of experience in international peace cooperation under the aegis of the United Nations and counter-terrorism, information sharing in important areas of mutual interest, technical exchange, joint exercises and training and talks between the services. The two leaders welcomed the participation of the Japanese Maritime Self Defense Force in the multilateral maritime exercise ‘Malabar’ ” held in September 2007 in the Bay of Bengal along with the navies of the US and Australia.

V

49. The vibrancy in India-Russian relations was marked by the exchange of visits by Russian President and the Indian Prime Minister during the year. The year 2007 also marked the 60th anniversary of the establishment of diplomatic relations between the two countries. President Putin was also the Chief Guest at the Indian Republic Day celebrations in New Delhi. The visit provided the opportunity to the two countries to reconfirm their resolve to enhance mutual cooperation to promote the use of nuclear energy for peaceful purposes. Recognising that Russia “remains indispensable to the core of India’s foreign policy interests,” Dr. Manmohan Singh sought a “comprehensive re-engagement (with Russia) that would impart new momentum and carry our strategic partnership to new heights.” All this was manifest in several agreements negotiated during the year between the two countries such as joint development of Multi-role transport aircraft, fifth generation fighter aircraft, cooperation in high technology sectors like space, science and technology,

information and communication, cooperation in Russian Global Navigation Satellite System etc.

50. The Foreign Office Consultations between the two countries in April offered an opportunity to the two countries to discuss such issues as Afghanistan, Iran's nuclear programme, Iraq and the Middle East, Central Asia, India-Russia-China trilateral cooperation and cooperation with EU and NATO, and reforms of the UN, international and transnational terrorism and narco-trafficking etc. External Affairs Minister visited Moscow in October for the Inter-governmental Commission meeting. It discussed major areas of bilateral cooperation relating to trade, commerce, investment, energy, science, technology, services, metallurgy, and culture, besides discussing high technology. The annual trade which is around four billion US dollars was agreed to be still below its potential and hence it was agreed to take steps to boost it further.
51. Although the Joint Commission is a government-to-government forum, enlarging its scope, it discussed the role of private sector in furthering economic cooperation between the two countries. The first India-Russia Forum on Trade and Investment was held in India in February. The Joint Study Group set up to analyse the bilateral trade and economic cooperation, finalized its report in July. There is significant collaboration among the hydrocarbon, power and energy related organizations in the two countries and there was agreement to increase it further. The integrated Long Term Programme for Scientific and Technological Cooperation completed its twenty years. For functional reasons it was decided to set up a new Working Group on Science and Technology and to re-designate the existing Working Group on Technologies as the Working Group on Information and Communication technologies. The India-Russia cooperation in Defence is on a trajectory to reach new heights with the

signing of the Agreement for development and production of Multi-role Transport Aircraft in October during the visit of Defence Minister. There was of course some misunderstanding on the cost of refurbished Admiral Gorshkov, and its supply schedule, which it is hoped would be resolved after discussions.

52. The high point of the India-Russia relations was the visit of Prime Minister Dr. Manmohan Singh to Russia at the end of the year. Before his departure for Moscow the Prime Minister described the India - Russian relations as “an enduring bond of friendship” and as a factor “of peace and stability in the region and beyond”. The Prime Minister expressed his extreme satisfaction on his discussions with President Putin. The Foreign Secretary Shivshankar Menon told the media that the restricted meeting between Prime Minister and President Putin that preceded delegation level talks went on for more than two hours, which was unprecedented for such interactions, and was marked by “really warmth” and “real meeting of minds.” Expressing dissatisfaction at the present level of trade between the two countries, the Prime Minister declared that the two leaders have approved the report of the India-Russia Joint Study Group to enhance the bilateral trade to ten billion dollars by 2010 and set up a Joint Task Force to implement the recommendations of the Study Group. President Putin himself sounded euphoric when he referred to the signing of the agreement on the development and production of multi-role transport aircraft on the heels of another agreement on the joint construction of a futuristic fifth generation fighter plane and said “The two agreements open up new prospects for our cooperation in a highly sensitive area of defence.” The two countries also agreed to mount a joint space mission to the moon, to combat drug trafficking, and utilize rupee debt funds for Russian investments in India. Both the leaders voiced support for trilateral cooperation between India-China and Russia and

declared that it had been put on permanent basis with possibility for “expansion and deepening in various directions.”

VI

53. The India-Russia-China Trilateral cooperation made concrete progress when the foreign ministers of the three countries met twice during the year in stand-alone meetings. The first stand-alone meeting was held in Vladivostok on June 2, 2005. Earlier there were three other meetings, which were held on the sidelines of UN General Assembly session in 2002 and 2003 and one in Almaty in 2004 on the sidelines of the Conference on Confidence Building Measures in Asia. The Summit Meeting among the leaders of India, Russia and China took place on July 17, 2006 in St. Petersburg on the sidelines of the G-8 Outreach Conference.
54. It may be recalled that in the Joint Declaration issued at the end of the Summit meeting between Russian President Putin and Chinese President Hu Jintao in March 2006 a call was made by the two leaders to set up an institutional framework between China, Russia and India for trilateral cooperation. The Declaration said: “The two sides favour an early establishment of a mechanism of trilateral cooperation in the Russia-China-India format in the belief that this will contribute to a fuller realization of their potentials for economic development and will strengthen international efforts to stand up to the new threats and challenges.” During the visit of Hu Jintao to New Delhi in November 2006 the concept of trilateral cooperation too found expression in their Joint Declaration. It said: “The two sides positively assess the trilateral dialogue mechanism among India, China and Russia and agree that exchanges and cooperation under it should be further substantiated.”
55. The Joint Communique issued at the end of the New Delhi

Trilateral meeting of the three foreign ministers on February 14, 2007 “reaffirmed that trilateral cooperation was not directed against the interests of any other country and was, on the contrary, intended to promote international harmony and understanding and find common ground amidst divergent interests. They also emphasized the strong commitment of India, Russia and China to multilateral diplomacy.” In 2007 the second meeting was held in Harbin (China) on October 24 at which the three foreign ministers “positively assessed the important role played by the Foreign Ministers’ meeting mechanism in enhancing mutual trust and understanding and increasing trilateral exchanges and cooperation.”

56. Believing that the trilateral cooperation had excellent prospects for development they reaffirmed yet again that “trilateral cooperation is not targeted against any other country or organization and is intended to promote international harmony and mutual understanding and seeks to broaden common ground amidst divergent interests.” In their deliberations the foreign ministers discussed issues ranging from reform of the UN to climate change and world terrorism. Taking the cooperation among the three a step further from political to real issues, they decided that “working-level mechanisms of Division Head/Director-General should be established between the Ministries of the three Governments looking after agriculture, disaster management, medicine and health to explore concrete ways and methods of cooperation to the development of agricultural resources, processing of agricultural produce, research and development, capacity-building and application of technology in disaster risk mitigation, exchange of information on the prevention and control of contagious diseases and in traditional medicine, etc.”.

VII

57. India, Brazil and South Africa have put together a unique forum, (IBSA) that brings together three large multi-cultural

democracies from three different continents facing common challenges of development on a common platform. Formed in 2004, their first Summit was held in Brasilia in 2006 and the second in Pretoria (South Africa) in October 2007. It stands for enhancing cooperation in areas such as science and technology, education, agriculture, energy, culture, health, social issues, public and revenue administration. All the three countries have strongly urged for reform of the United Nations and expansion of the Security Council to represent contemporary realities and not those of the year 1945 when it was formed immediately after the Second World War. All the three are aspirants for membership of the Security Council and coordinate their efforts in that direction.

58. India had strategic partnership with both the countries on bilateral basis as well. Apart from the Summit meeting of the three Heads of Government/State, the foreign ministers of the three countries gathered in July in New Delhi for the 4th meeting of the IBSA Trilateral Commission. In September the editors from the three countries met in New Delhi. The three foreign ministers met again in New York on the sidelines of the UN General Assembly session. That meeting provided an opportunity to exchange views on a number of issues on the international agenda, topics relating to the IBSA Dialogue Forum and the IBSA Fund for Alleviation of Poverty and Hunger. They affirmed their determination to strengthen IBSA's political segment by enhancing coordination among their delegations in international fora. They once again underlined the need for reforms of the UN and expansion of the Security Council.
59. At the Pretoria Summit in October Prime Minister Manmohan Singh pointed out that "economic growth cannot happen in isolation". He said that unless all sections of society derive benefits from such growth and develop a stake in the growth process, "we will be courting social and political instability".

He was convinced that “disparities of any type – regional, gender, inter-community, inter-group – harm the growth process in the long run.” The Summit in its Tshwane Declaration recommitted itself “to vigorously pursue the deepening of South-South cooperation for sustainable development... to eradicate poverty through sustained and inclusive economic growth.” The Summit emphasized the goal of the “complete elimination of nuclear weapons and expressed concern over the lack of progress in the realization of this goal.” The Declaration pleaded for time-bound programme for elimination of nuclear weapons and “prohibit their development and production, acquisition, testing, stockpiling, transfer, use or threat of use, and to provide for their destruction.” The declaration touched subjects like climate change, security and stability in Africa, and need for settlement of conflict in areas afflicted by violence such as Sudan, Afghanistan, etc. The Summit ended with the signing of seven agreements ranging from cooperation in Customs and Tax Administration to public health, education, social issues, cultural cooperation etc. It was decided to hold the third Summit in New Delhi in 2008.

VIII

60. Environmental pollution has become a matter of great international concern and part of international discourse like other questions of war and peace. India too is concerned with the hazards of environmental degradation. In response to our national commitment to clean environment, New Delhi has taken major initiatives including adopting a National Environment Policy, 2006. It synergies environmental and economic policies and appropriate institutional mechanisms, to support the integration of three pillars of sustainable development: economic development, social development and environmental protection. It recognizes that the environmental management cannot be treated separately

from other development concerns and that the poor are seen not as a problem but as a part of the solution. The policy is bringing in new models of partnerships between the Government and the civil society.

61. As a signatory to the United Nations Framework Convention on Climate Change, India is committed to climate-friendly sustainable development. Clean energy and energy efficiency have become essential elements of our industrial policy. The Energy Conservation Act, 2001 set the energy consumption norms for each industry, energy labeling and standards for all electrical appliances, and energy-efficient building codes. The Bureau of Energy Efficiency has been established under this Act. India also has an active renewable energy programme.
62. India, in response to the problem of green house gases has been willing to join the other nations of the world to share the burden of green house gases. India's emission of green house gases is miniscule being only 4 percent of the world's emission. It, therefore has been taking the position at international fora that action by India alone would have a marginal effect on the overall emissions unless the major industrial countries took full responsibility commensurate with the emission generated by them. India was determined that its per-capita GHG emissions did not exceed those of developed countries even while pursuing policies of development and economic growth.
63. "The process of burden sharing must be fair", reminded the Prime Minister to the industrialized countries at the Berlin Outreach Conference of the G-8, and added "It should take into account where the primary responsibility for the present levels of GHG concentration rests and not perpetuate poverty among possibilities of accelerated social and economic development." Dr. Manmohan Singh had no doubt in his mind that the developing countries could cut their emissions only

at a great cost to their development which was not fair. He therefore made it clear at Berlin that “the time is not ripe for developing countries to take quantitative targets, as these would be counter-productive for their development processes.”

IX

64. The adoption by the United Nations General Assembly unanimously of a resolution on ‘International Day of Non-Violence’ piloted by India with the co-sponsorship of 142 countries to annually observe and celebrate Mahatma Gandhi’s birthday, October 2, as the “International Day of Non-Violence”, was particularly satisfying to New Delhi. The idea of promoting such a resolution originated from the Declaration adopted at the international conference on “Peace, Non-Violence and Empowerment – Gandhian Philosophy in the 21st Century” convened in New Delhi in January of 2007 to commemorate the centenary of the *Satyagraha* Movement launched by Mahatma Gandhi in South Africa. Attended by 91 countries and 122 organisations besides many eminent personalities, including philosophers and Nobel laureates, the participants in that conference solemnly vowed to nurture the values espoused by Mahatma Gandhi and articulated the collective yearning for a new way forward to address the problems of hunger and de-humanizing poverty, which continue to plague humanity, to build a just and equitable world where people live with dignity and in peace and harmony with each other in diverse and pluralistic societies.
65. Mrs. Sonia Gandhi who delivered the keynote address at the United Nations on October 2 to mark the first Observance of the International Day of Non-violence underlined the philosophy of the Mahatma thus: “that strength comes from righteousness, not force. Power comes from truth, not might. Victory comes from moral courage, not imposed submission.

He held that means and ends are inseparable and that in fact the means themselves shape the ends. He believed unworthy means can never produce worthy ends.”

X

66. India hosted the 14th Summit of the South Asian Association for Regional Cooperation (SAARC) in New Delhi on April 3-4. It was after some year that the summit took place as per the schedule and went through its agenda smoothly. Afghanistan having been admitted to the SAARC last year participated in the Summit for the first time. It was represented by its President Hamid Karzai. Three of the “observer countries” - China, South Korea and Japan, were represented by their Foreign Ministers. The other two observers — United States and the European Union (E.U.), sent high-level representatives.

Prime Minister Manmohan Singh in his inaugural address put forward new initiatives to make SAARC a more meaningful regional organisation. He offered “zero duty” access to goods from Bangladesh, Afghanistan, Nepal, the Maldives and Bhutan. He said India would no longer insist on “reciprocity” on trade issues from many of its neighbours. (Trade issues with Pakistan, however, remained unresolved because of Pakistan’s insistence on maintaining a positive list of prohibited articles for bilateral trade.)

67. Prime Minister Manmohan Singh announced some other steps to accelerate the process of economic integration in the region. He hinted at visa liberalization procedures for scholars, journalists, students and those in need of medical help from SAARC countries. He spoke of the “compelling vision” he had of a rapidly developing South Asia playing an important role on the world stage. He noted with satisfaction that SAARC member-states had started resolving their bilateral differences, which had prevented it in the past from realizing its full potential.

He said that the time had come for all South Asian countries “to join hands to realize our shared destiny”.

68. Similar sentiments were echoed by other leaders too. Bangladesh Chief Adviser Fakhruddin Ahmed said that the larger and comparatively more advanced member-states had a special responsibility to aid the less developed ones. President Mahinda Rajapaksa asked for a collective response to the issue of terrorism from the member-states. He was in favour of adopting speedily a “common currency” to speed up the process of regional integration. The Pakistan Prime Minister said that the political atmosphere in South Asia still remained “vitiating by disputes and mistrust”. Mr. Shaukat Aziz highlighted the need to promote an environment of genuine peace and security in South Asia which would help reduce the “trust deficit” among member-countries. In his maiden speech President Hamid Karzai of Afghanistan focussed on the issue of terrorism. He favoured the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline.

[However both India and Pakistan remained committed to the Iran-Pakistan-India gas pipeline. A meeting between the Indian and Pakistani Prime Ministers led the two sides to announce that they would pursue the Iran – Pakistan – India gas pipeline project sincerely. They expressed satisfaction over the progress made so far at the technical-level talks amongst the three sides.]

69. Having said that, there was an undercurrent of feeling that SAARC had not yet managed to achieve its full potential. Pakistani Prime Minister Shaukat Aziz, in his interaction with the media as well as in talks with the Indian Prime Minister, did not shy away from stating that Kashmir was the most important issue standing in the way of durable peace between the two countries. During his luncheon meeting with the Indian media, he said that high-level, back-channel talks to resolve outstanding issues were making progress but the two

countries still had to traverse a long distance before a lasting solution could be found.

70. Pakistani resistance to India's suggestion for a SAARC treaty to fight terrorism and organized crime was a pointer to the "trust deficit" afflicting the organization. Other SAARC member-states such as Afghanistan and Sri Lanka, battling terrorism in their countries, were naturally supportive of the Indian initiative. However, Pakistan believed that problem of terrorism could be better tackled through bilateral arrangements. Nevertheless the New Delhi Declaration issued at the end of the summit had a clause mentioning India's initiative to prepare a draft for a SAARC Convention on Mutual Assistance in Criminal Matters. Prime Minister Manmohan Singh's concluding speech exhorted the SAARC member states to implement in a meaningful and sincere manner the commitment and pledge made to root out terrorism in order to create an environment for "our endeavour to succeed". SAARC had made a commitment to fight terrorism through the SAARC Regional Convention on Terrorism of 1987 and the Additional Protocol in 2004.
71. The 14th SAARC summit, in the words of External Affairs Minister Pranab Mukherjee was "the least contentious" held so far. The summit ended with agreements to establish a multi-campus South Asia University with its main campus in New Delhi and a SAARC Food Bank. The New Delhi Declaration highlighted the need to develop a road map for a South Asian Customs Union in "a planned and phased manner". The Declaration also stressed the speedy implementation of the South Asia Free Trade Area (SAFTA) agreement. The statement said that the "successful implementation of SAFTA will catalyse other areas of regional economic cooperation". It was decided to accept Iran as another "observer".

72. A South Asia Development Fund was operationalised with an initial corpus of \$300 million. The Fund would undertake specific poverty alleviation projects. The non-members would be free to contribute to the SAARC Development Fund without participating in the decision making on its utilization.
73. In his concluding remarks the Prime Minister reminded the member states that they had agreed to expedite progress on four main issues - water, including flood control; energy; food; and the environment. The year 2008 was designated as the "SAARC Year of Good Governance". Dr. Manmohan Singh said that he could "feel a new sense of purpose and determination among the leaders of SAARC". He emphasised that the "touchstone" in the efforts to revitalise SAARC had to be the difference made to the lives of "the poorest of the poor".
74. SAARC had been in existence for more than two decades. Much of its activities have been confined to the official meetings at various levels besides the annual summits. It has yet to catch the imagination of the common people in these countries in a big way. The travel procedures between the countries of the grouping remain as cumbersome as ever. Neither have the modes of travel improved. The decision by India to host a SAARC cultural extravaganza at the end of the year in New Delhi brought for the first time the youth of the SAARC countries at one platform. The experiment was a great success in that it gave an opportunity to thousands of people not only to realize how culturally the people of South Asia are bound together in a common strand but also to witness the cultural richness of the member countries.

XI

75. Last year the Prime Minister had spoken of his vision of relations with Pakistan to be so friendly and of an atmosphere of trust and confidence "that the two nations would be able

to agree on a Treaty of Peace, Security and Friendship” overcoming all hurdles. Carrying his wish and hope a step forward he hoped that by cooperating with each other we would be “releasing our collective destiny and the basis for enduring peace and prosperity in the region”.

76. With that background, the year 2007 opened on a positive note in regard to the India – Pakistan relations. External Affairs Minister Pranab Mukherjee visited Pakistan in January. In February the Foreign Minister of Pakistan Mehmood Kasuri came to New Delhi for the Joint Commission meeting. During this round the two countries signed an agreement to reduce risks from accidents relating to nuclear weapons. This, together with the practice of exchanging annually lists of nuclear installations would go a long way in reducing the risk of any nuclear war between the two countries by accident. New Delhi was saddened by the bomb blast on the Samjhauta Express on its journey from New Delhi to Pakistan in February, which spilled the blood of innocent people. New Delhi not only assured but actually extended all possible assistance to the injured and in the return of the passengers to their homes.
77. The first meeting of the Anti-terrorism Mechanism took place in Islamabad in March. Other meetings under the Composite Dialogue arrangement were held as per schedule. However towards the later part of the year the momentum got somewhat slackened because of domestic troubles in Pakistan causing a lot of political instability. The assassination of former Prime Minister Benazir Bhutto in December was source of a great deal of anguish to New Delhi. The President, the Prime Minister and the External Affairs Minister sent messages of condolences on her death. The Prime Minister and External Affairs Minister visited the Pakistan Mission in New Delhi to offer condolences. One only hopes that the elections in early 2008 would throw up a stable regime in

Pakistan and the momentum of the dialogue would be restored.

78. As already stated above, the SAARC Summit gave an opportunity to the prime ministers of India and Pakistan to meet on its sidelines. Kashmir, terrorism and the Iran pipeline were the important items on their agenda. Dr. Manmohan Singh assured his Pakistani counterpart that India would share with Pakistan the results of the probe into the Samjhauta Express fire-bombing of February 19. He reiterated Government of India's decision to pay compensation to the victims of the terrorist incidents. It was also agreed to increase the number of flights between the two countries.
79. During the year, Pakistan too came under terrorist attacks in which valuable lives including that of the former prime minister were lost. The fundamentalism and religious obscurantism that had in the past received succour from the Pakistan State, now unleashed the turbulent and brutal forces that threatened to consume not only the civil society but the State of Pakistan itself. There was for once a refreshing realization in Pakistan that the forces, which in the past hurt only India, could boomerang and cause inverse damage too. Under the circumstances it is hoped that the Anti-terrorism mechanism, agreed upon between the two prime ministers in 2006, would be an effective forum for cooperation in rooting out this menace from both the countries.
80. Bhutan, with the blessings of the monarchy is taking measured steps towards a fully democratic state. It elected its 15-member National Council or the upper house of parliament in December. The elections for the lower house are now scheduled in March 2008. It may be recalled that Bhutan's transition to democracy began in 2001, when King Jigme Singye Wangchuk handed over the power of daily governance to a Council of Ministers. In 2006 he abdicated

the throne in favour of his Oxford educated son Jigme Khesar Namgyel.

81. The signing of a new Treaty of Friendship in February during the visit of the King of Bhutan was an “exemplary model of good-neighbourly relations”. The new Treaty, which is an update of the Treaty signed by the two countries in 1949, reflects the contemporary nature of Indo-Bhutan relations, and lays the firm foundation for their further development in the 21st century. It creates a framework for continued mutually beneficial cooperation in a manner that is responsive to and serves each other’s national interests.
82. In contrast, other countries in the neighbourhood continued to grapple with the problem of democratization. In Nepal the elections for the Constituent Assembly were thrice postponed for one reason or the other. Before the year 2007 closed the Maoists goaded the government to accept their demand for abolition of monarchy by adopting an amendment to the Constitution. This enabled the Maoists to return to the government as the year was ending, which it boycotted for almost three months.
83. In Bangladesh too the goal of “full restoration of democracy through peaceful, free and fair elections” still seems a little distant. In Sri Lanka the solution to the ethnic problem does not appear to be too close either despite a lot of blood letting. As the year closed the ceasefire agreement of 2002 between the government and the LTTE was in tatters, both sides paying only lip service to it. (In January 2008 the Government of Sri Lanka finally put an end to the fiction of cease-fire, by deciding to scrap it altogether)
84. In Burma, where democracy was victim of the stratocracy for a long time, fresh harsh measures caused greater distress to the people and pushed the goal of democracy far a field. In Afghanistan, where government’s efforts to restore

normalcy were thwarted by the forces of terrorism, development is the casualty along with democratic institutions.

85. In South Asia, India has emerged as an oasis of comparatively secure and stable political system providing the necessary wherewithal for peaceful, inclusive economic and social change. If in spite of this, there are signs of social unrest, it is the symptom of a society in transition undergoing dynamic changes, which the revolution of rising expectations has unleashed. To that extent, this ferment has to be viewed positively. The success of the Indian experience to manage the contradictions and diverse aspirations of a plural society peacefully is fundamental to spreading its message in its periphery, where the forces of instability are undermining democratic institutions and economic and social justice for some time. Political instability in the periphery, in turn, undermines all round development of the entire region. This is cause for concern, particularly when old sources of conflict are being compounded by new threats of nuclear proliferation, environmental degradation, terrorism, dangers to public health from sources like HIV/AIDS and Avian Flu etc.

XII

86. In the fast and ever changing global scenario, the task of the Indian diplomatic service was underlined by the External Affairs Minister Pranab Mukherjee while inaugurating the building of the Indian Foreign Service Institute in New Delhi on the birthday of the founder of the Indian foreign policy, Jawaharlal Nehru (November 14). He said:

“...from my perspective, an essential priority for the world today has to be a new consciousness, not just among the political elites, but also among the peoples of the world, that their choices and their

actions affect all others on this planet. This consciousness is what would break down the barriers to greater global cooperation and lead to the structure and processes that are needed to address international challenges, such as climate change and energy security. And this is where the voice of India's diplomats can best be heard. However, this is a subtle task. A narrow consciousness can hardly be best communicator of a global consciousness. Therefore I would call upon our future diplomats to reflect the best of Indian civilization when interacting with the world."



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INDIA'S FOREIGN RELATIONS - 2007

SECTION - I

GENERAL

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001. Address by Prime Minister at the Pravasi Bharatiya Divas.

New Delhi, January 7, 2007.

I should begin by wishing you all a very happy new year! I am delighted to welcome delegates from different lands to this blessed land of their ancestors. We feel truly proud that in this hall we find today the entire world represented. This gathering, ladies and gentlemen, truly symbolizes the ancient Indian yearning for "Vasudhaiva Kutumbakam" - the whole world is one family.

We are one family. The whole world is our home. That is why I have often said that while the sun has set on many great empires of the world in the past, the sun will never set on the world of the Indian diaspora! From Fiji in the East, to Los Angeles in the West, from Cape Town in the South to Toronto in the North, the people of Indian origin are the world's most globalised community.

Each time we have met we have had the honour and privilege of hosting as our Chief Guest an eminent Pravasi. This year I am delighted to welcome amidst us Professor S. Jayakumar, the Honourable Deputy Prime Minister of Singapore. Singapore is a special friend of India. Our engagement with the countries of South East Asia holds a great deal to the support we have consistently received from the Government and People of the friendly country of Singapore. We are all greatly pleased, therefore, to have Professor Jayakumar in our midst. His life and his work are a role model for younger generations.

We are truly committed to work with Singapore and other like-minded countries to strengthen our links with South East Asia and East Asia. Our destinies are truly inter-linked. We are committed therefore to explore all options to foster closer, multi-faceted links with South East Asia and East Asia to usher in a new arch of prosperity in this extended region and extended neighbourhood of India.

The Pravasi Bharatiya Diwas is a celebration of the global Indian. It is also a celebration of the home-coming of the global Indian. That is why we meet here in India in January. It is on the 9th of January nearly hundred years ago that the "Greatest Pravasi" Mahatma Gandhi returned home from South Africa and inspired us to wage a non-violent peaceful struggle for freedom from foreign rule.

Our freedom struggle and the process of our nation building after independence have been one of the great adventures of humankind cutting across race, language, religion and ethnic identities. India's civilisational pluralism has made it possible for us to reach out to the world and seek its support in our struggle for freedom and for Independence.

When I went to South Africa last year I was deeply moved by the deep bond that unites the peoples of India and Africa. In the past, this was the bond of our shared struggle against colonialism and against apartheid. Today, it is the bond of our combined effort to regain our due place in the comity of nations.

When I meet Heads of State and Government and business leaders in distant lands they tell me very proudly that the Indian community in their countries, is a great asset, that people of Indian origin are highly creative, productive, enterprising, peace-loving and devoted to their families, their communities and their neighbourhoods.

I would like to take this opportunity today to express a special word of thanks to the Indian American community. We are happy that the United States has adopted a legislation that will enable the US to engage in cooperation with India in the field of Civil Nuclear Energy. This is an important step forward not just in India-US bilateral relations and also as an essential first step that will enable India to engage in cooperation in the Civil Nuclear field with other countries that are members of the Nuclear Suppliers Group. This process will increase the range of options available to secure our country's growing current and future energy needs. This initiative is therefore a vital input to the critical process of enlarging our developmental options. And I thank the Americans of Indian origin for the stellar role that they played in ensuring that this legislation was passed through the US Congress.

I thank the overseas Indian community and its leaders who played a very significant role in highlighting the importance of this important initiative in the US and elsewhere.

I take this opportunity to thank the nonresident Indian communities in West Asia and other parts of the world for the handsome contribution their remittances make to the strengthening of our economy.

This year the theme of the Pravasi Bharatiya Diwas is "Rooting for the Roots". Let me, however, suggest that your being here is not just about

"roots". It is also about "branches". Even as you discover and nurture your ancient 'roots', I urge you to extend your 'branches'.

We in India wish to see you engaged in India's great adventure of building an India free from the fear of war, want and exploitation. India has now emerged as one of the fastest growing economies in the world. India's growth process creates enormous opportunities for promoting cross border flows of trade, capital and technology. I would like overseas Indian communities to take full advantage of these exciting opportunities that are now on the horizon. I would like you to reach out and invest in a new India. Invest not just financially, but intellectually, socially, culturally and, above all, emotionally. Your roots are what bring you here. Your branches are what will keep you engaged year after year here in India's great development saga. Come engage with the new India.

I am conscious of the great importance of enhancing educational opportunities for persons of Indian origin for study in our country. I want Indian universities to be more open to children of overseas Indians. India is the land of the ancient universities of Takshasila, Nagarjuna and Nalanda, to which students came from far off places. I am delighted that Singapore, along with China, Japan, South Korea and other countries in the region, is supporting us in the Nalanda Project to which Professor Jayakumar made such a handsome reference. I agree with the sentiments expressed recently by Hon'ble Mr. George Yeo, the Foreign Minister of Singapore, that the Nalanda Project should emerge as "an icon of Asian renaissance", and "a centre of civilizational dialogue and inter-faith understanding", as indeed it was in the ancient times.

In this gathering last year I had spoken of the proposal to establish a University for Persons of Indian Origin. This proposal has been under active consideration in the past year. We envisage the proposed University as oriented to meet the needs of the overseas Indian community in the most sought after disciplines such as Science, Engineering and Management. Our aspiration would be to impart quality education at par with the best Universities in the world. The challenge now is to create the requisite enabling framework that will adequately meet these aspirations. We hope to do this in the coming months.

A proposal to establish an Indian Overseas Facilitation Centre is presently being developed and examined. This is envisaged as a source of investment advisory services for overseas Indian investors. This proposal is being developed on the understanding that an Indian entity, independent of the

Government, though supported by us, and set up in partnership with industry, could be an effective instrument to liaise with members of the Indian Diaspora on matters related to investment in our country.

To ensure that we reap India's demographic dividend and benefit from the significant labour supply gaps emerging in countries with ageing populations, we must take a strategic medium to long-term view of overseas employment opportunities.

It is time for the overseas Indian worker to move up the wage chain and India to be perceived increasingly as a provider of skilled manpower in diverse fields. A suggestion has been made that a professional body should devise an appropriate strategy to give shape to this idea. Towards this end the constitution of a Central Council for the Promotion of Overseas Employment has been mooted. This proposal is also being examined by the government.

I wish this interaction between overseas Indians and the people of India to inspire Indians at home to take a broader view of the world. When I was in Mauritius I said to some of the Mauritian people whose ancestors hailed from Bihar that they should go to Bihar and inspire the people there to make a Mauritius out of Bihar. I could say the same thing about other parts of the country. When we Indian farmers creating agricultural wealth in California and in the trying climes of Canada, I wonder how much more our own farmers in India are capable of achieving.

I sincerely hope that we in India can work together to create an environment in which the best of every Indian can find his or her fullest expression. I want every Indian living and working in India, to aspire for the global recognition that a Zubin Mehta, a Lakshmi Mittal, an Indra Nooyi, an Amartya Sen and our chief guest Prof. Jayakumar or a Kalpana Chawla gets when they go overseas.

India is known for its pluralism, for its inclusiveness, for its willingness and ability to provide a home for all faiths. Every great religion of the world has found a home here and is practiced in peace here. This pluralism, this sense of "live and let live", this mutual respect and celebration of diversity helps us to live in peace in distant lands and among different cultures. That is why I say that every person of Indian origin is an embodiment of the message, the idea of India. India is an ancient civilization but we are a young nation. I believe India's efforts for social and economic transformation in the framework of an open society and an

open economy, committed to the rule of law committed to the respect for all fundamental human freedoms is of great historical significance. Our success will have a profound influence on the course of human civilization in the 21st century, when we see strife and tension building up everywhere. I invite you to be active participants in this great saga of adventure and enterprise of building a new India.

I once again wish you all a very happy, peaceful and prosperous new year.



002. Speech by External Affairs Minister Pranab Mukherjee at the Pravasi Bharatiya Divas on "Developmental Challenges of the States: Partnership Opportunities".

New Delhi, January 8, 2007.

My colleagues from the Cabinet,

Chief Ministers,

President CII, Shri Seshasayee,

Ladies and Gentlemen,

I am happy this morning to be in the midst of this distinguished gathering of overseas Indians from across the world. The observance of Pravasi Bharatiya Divas in the first week of January has gained a prominent place on all our calendars. There could probably not be too many better ways to begin a new year than such an occasion that provides us the opportunity to meet, compare notes and generate fresh ideas that all of us gathered here could harness to mutual benefit. The overseas Indian community today constitutes a significant economic, social and cultural force in the world. In the recent past, the community has also made its presence felt by gaining positions of political leadership and public authority. Professionals and business leaders of Indian origin are already playing a role in the economic growth story of India. I have no doubt that this role will continue to strengthen and grow in the future.

I am also happy that the Chief Ministers of ten major states are participating in this plenary session. To my mind, this session and the next in which the state Chief Ministers interact with all of you are perhaps the most important

part of this conference. The states of India today constitute the theatre of India's development effort. State Governments are at the cutting edge of this effort and their agencies are the ones most closely involved in it. While the pace of development in different states has been varied, there is no doubt that, if the benefits of growth are to reach larger and larger sections of our population, all the states of India will need to redouble their efforts and fashion their policies accordingly.

Ladies and Gentlemen : India stands at a definitive threshold insofar as her developmental experience is concerned. All the 'miracle economies' that demonstrated phenomenal growth and prosperity and today rank as major economic powers in the world made that transition when the size of their working age population as a proportion of the national population was the highest. Over the next decade, India's demographic structure will be a similar one. Even today, India is a country of young people, with 54 percent of its population in the age group below 25 years. This will be a time when it will have the potential to dramatically enhance labor supply and productivity. It will also have the ravenous appetite to maintain high rates of saving and investment that only a 'young' work force can.

There is a caveat, however. In the ensuing years, we will have to invest in considerable measure in social and human capital, in innovation and in physical infrastructure as well. The future growth prospects for the country will be predicated substantially on what the states of India do over the next decade. There is, clearly, a need to ensure that good governance and fiscal prudence are brought center stage.

Many factors work in our favour as we seek this outcome. We are an outstanding example of a large working democracy. Home to over a billion people, India with 28 states and seven union territories is also an example of a successful federation. The rest of the world sees India as a continent, if not in size, surely in the diversity of its people and its numerous contrasting states. We are also firmly set on an impressive economic growth trajectory of around 9 % per annum. Experts estimate that in a decade from now, India is likely to be the third largest economy in the world. A significant proportion of world's output in areas such as information and communication technologies, automotive manufacturing, light engineering, biotechnology and pharmaceuticals is likely to be generated in India.

Most of what we witness today would not have been possible without the reform process initiated in 1991, by a Government with which I was then associated. Although Governments of different political parties held power in between, the reform process has continued. This is because rapid growth is essential to raise

the incomes of the mass of our population to bring about a general improvement in living conditions and to generate the resources needed to provide basic services to all our people.

As we approach the Eleventh Plan, we are fully conscious of the fact that the economic growth so far has failed to be sufficiently inclusive. Agriculture lost its growth momentum after the mid-1990s. Employment generation continues to be slow. Far too many people still lack access to basic services such as health, education, clean drinking water and sanitation facilities. Women have increased their participation in the workforce but continue to face discrimination and are subject to increasing violence, one stark example of which is the declining sex ratio.

With this in view, the 11th Plan is being designed to reduce poverty and focus on bridging the various divides that continue to fragment our society. It will seek to reduce disparities across regions and communities by ensuring access to basic physical infrastructure as well as health and education services to all. It will recognize gender as a cross-cutting theme and commit to respect and promote the rights of the common person. It will also reach out to many groups that may still remain marginalized. These include adolescent girls, the elderly and the disabled who lack family support, children below the age of three and others who do not have strong lobbies to ensure that their rights are guaranteed.

As I said earlier, there is little doubt that future prospects for economic growth in the country will depend in large measure on all the States acting in tandem and all performing reasonably well. While Government of India has been consistent in reforming and liberalizing, the States in India have shown wide variance in adapting to the changes. Some States have been quicker and more responsive than others. As a result these States have grown faster than the others, and continue to do so. If this trend persists, the lopsided development within India could pose grave problems for the country in the future. Therefore, it is essential that the States lagging behind carry out the needed reforms so that they can attract investments which are essential for growth and poverty alleviation.

In this context I am thankful for the stalwart response of the overseas Indian community to India's call to be a catalyst for development and contribute in nation-building activities back home. The creation of the Ministry of Overseas Indian Affairs by the Government acknowledges the fact that this community will be an important partner in the emergence of India and play a role similar to the one being played, for example, by overseas Chinese in the growth of China. You have the knowledge, expertise, experience and capital and can

contribute in a big way towards not only enabling India to be on the path of development and reforms, but also towards balanced development within India.

I would accordingly appeal to all the State Governments to create a conducive atmosphere within their respective States so that interested overseas Indians and companies run by them are attracted to be part of the development process through the now very successful public-private partnership model. State Governments should take specific initiatives and devise their own strategies to benefit from the creativity, the talent, the enterprise, the enthusiasm and the commitment of the members of the overseas Indian community.

Ladies and Gentlemen : Let me mention a few broad areas where the potential for such partnerships exists. I would focus first on the social sector. There is an urgent need in India for developing participative models for sustainable development in the rural areas. I know most of you still have very strong links with the soil of this land and can work out public-private partnerships to transform lives and rural economies. Civil society organizations in India have gained strength and are trying new experiments to reach sections of society that have hitherto not seen the fruits of growth and remain vulnerable. I see a great role for all of you in bridging the digital divide and taking basic services like education, health, drinking water and sanitation to our villages.

Secondly, there remains a large infrastructure deficit in the country. For example, Indian ports still take a much longer time to make a turnaround than some of our neighbouring countries. The condition of our highways, airports, transport and most of all, urban infrastructure, conveys the same story. There is an urgent need for aggressive investment to improve the country's infrastructure through higher levels of foreign direct investment and technology infusion. According to UN statistics, while FDI inflows to India have risen by more than 20% to reach \$6.59 billion in 2005, this remains a fraction of the total global foreign investment of \$916 billion. There is definitely a lot of scope for investment in infrastructure for our friends from overseas.

Thirdly, a large proportion of India's population continues to depend on agriculture for its livelihood. Unfortunately, as statistics reveal, the contribution of agriculture towards India's GDP has been declining over the years. The negative fallout of this, like suicides by farmers, is a worrisome trend. Surmounting the vagaries of weather and processing and marketing

of agricultural products at remunerative prices are the main problems for the Indian farmer. There exists immense potential for investments in irrigation, food processing and marketing of agricultural products and I feel many of you would have the advantage of understanding better the cultural moorings of the Indian farmer.

Fourthly, given its demographic structure, educational requirements in India are stupendous. Many States of India have yet to achieve even a 70% literacy rate. To ensure that a young India is able to keep pace with globalization, education is of critical importance. While Government has taken several measures through policy and legislative frameworks, there is need for all of us to work together for ensuring and enhancing the quality as well as broader coverage of education for all Indians.

Fifthly, our competitive edge needs to be maintained and enhanced. India's competitive advantage has been on account of the highly skilled manpower that the country has been able to produce. Many sitting in the audience are shining examples of this, of whom we are very proud. More investment in research and development (R&D) and providing more opportunities for innovation and technology development will enable us to harness the full potential of our skilled man-power. Some of our friends from overseas are in a position to bring together the R&D efforts of the countries in which they reside with those of India for better synergy for both sides.

Finally, for a growing economy, and for a country of India's size, energy security assumes great importance. Not only are cleaner and renewable sources of energy required to be tapped, efficiency in the existing use of energy is essential to release additional amounts for development purposes. New and innovative methods of addressing the energy deficit become important. Our friends from overseas, having the knowledge, expertise and experience in this area, can contribute immensely in meeting the requirement of energy security in India.

I hope that after this plenary session, representatives of the various State Governments present here and our distinguished overseas friends would be able to work out meaningful partnership roles for the development requirements of the States. My Government is always present to provide the helping hand.



003. Interview of External Affairs Minister Pranab Mukherjee with the weekly *India Today*.

New Delhi, January 12, 2007.

[The quintessential politician and a veteran of many a political battle, Pranab Mukherjee, as external affairs minister, is typically in the thick of things. Not only does he continue to head a dozen important government committees but is now on a hectic tour of India's neighbours including Pakistan and the ASEAN summit at Cebu to promote India's foreign relations. Before he left, he sat down for an hour-long interview with INDIA TODAY Editor Prabhu Chawla and Associate Editor Saurabh Shukla in the executive drawing room of South Block. Excerpts from the interview.]

Question: As part of your tour of India's neighbours you would also be making your first visit to Pakistan as foreign minister. What is your agenda?

Answer: I am going to Pakistan, firstly, to extend an invitation to President Musharraf to attend the 14th SAARC Summit. That is the official purpose. And surely we will not discuss the weather, we will discuss issues which are there. We will discuss SAFT with all other SAARC countries, tariff reduction has been finalised. But with Pakistan this has to be done still. Similarly, we would also like to review at the foreign ministers' level the third round of Composite Dialogue that just got over.

Question: The biggest impediment to the peace process is the issue of terrorism. Will you be seeking an assurance from General Pervez Musharraf that all terrorist acts against India will stop?

Answer: The assurance was obtained by Atal Bihari Vajpayee on January 6, 2004. President Musharraf assured him that Pakistani territory or Pakistani-dominated territory will not be allowed to be used by terrorists. The question is not of assurance; the question is how these assurances are actually implemented.

Question: You said General Musharraf's promises on terrorist camps are not being implemented. You used the word "unconvincing".

Answer: What I stated is that infrastructure of launching terrorists has not been dismantled. His (Musharraf's) pledges have not been implemented.

Question: But do you think that the peace process will be affected if terrorism continues from across the border?

Answer: That is the issue which has been flagged at the foreign secretary-level meeting. We will flag it again.

Question: Do you think we can trust Musharraf now?

Answer: We have to deal with the head of a state. The basic presumption would be that we would trust each other.

Question: What about Jammu & Kashmir? Do you have any package solution?

Answer: I don't have any readymade solution.

Question: But are we discussing a Kashmir solution on the lines of the four-point formula that General Musharraf has been suggesting?

Answer: We are trying to resolve the issue of Kashmir in the context of Shimla Agreement, Lahore Declaration, and the series of talks which have taken place; we are having a composite dialogue of which resolution of the Jammu and Kashmir issue is a part. In that context we are going to discuss it. These are the issues that have been raised from time to time and the responses are there; you have heard the response of the prime minister in Amritsar.

Question: Are your allies constraining you on foreign policy choices, be it Sri Lanka, the US or Iran? Your allies are dictating foreign policy choices now.

Answer: No, not at all.

Question: But you have to do a lot of explaining to them.

Answer: Yes, as I have explained to my Left allies, I have equally explained it to the BJP leaders. Because parliamentary democracy demands that when there is a broad consensus in respect of foreign policy we should try to maintain that consensus. Keeping that in view, we apprised them of the developments which took place in our neighbourhood.

Question: There have been reservations over the Indo-US nuclear deal. Even the scientists have opposed the deal.

Answer: No, only a section of scientists have opposed it. They have expressed their concerns. But these concerns will not be ignored.

Question: So are you saying that you will go for 123 agreement only if those concerns are taken care of?

Answer: Of course, that is the commitment we have made.

Question: Are you also saying that in the current form the deal will not go through, unless your concerns are sorted out?

Answer: Unless certain issues are taken care of, certain concerns are addressed, it would not be possible for us to go with it.

Question: The Congress is heading a coalition for the first time since Independence. So is handling coalition conflicts a major problem?

Answer: Of course, running a coalition government in a country like India is a difficult task. More so when Congress leads the coalition, since most of the political parties were anti-Congress. To have a coalition, to run a coalition government, you require a lot of adjustments, a lot of flexibility. But the success of the coalition Government to a great extent is the contribution of UPA Chairperson and Congress President Sonia Gandhi and Prime Minister Manmohan Singh.

Question: You could have done better if it was only a Congress-led government?

Answer: That would be a value judgement right now because we do not have the majority.

Question: But have you also compromised on your ideology?

Answer: Sometimes compromise is not bad. Sometimes absolute power creates problems. There is an old saying that power corrupts and absolute power corrupts absolutely.

Question: Don't you think that most national political parties are getting marginalised? Rather, people are looking up to industrialists and entrepreneurs.

Answer: I would not put this as marginalisation of politicians or political system. I would put it as the recognition of other sections. Earlier it was monopolised by politicians only. Now there are other sections of the society-industry, sports, academics, judiciary-which are important too. They too have roles to play.

Question: Your 1991-96 economic policies and the present ones are almost the same. But you lost the election then.

Answer: Compare my Budget of 1982 with Manmohan Singh's Budget of 1991. The policies which I proposed were almost the same but Indian

industry strongly resisted my proposal for NRI portfolio investment. In 1991 it was welcomed because conditions had changed.

Question: In the reforms process, you have not been able to fulfill certain things like FDI in telecom and insurance. Labour reforms are also stuck. Is it because of coalition compulsions?

Answer: We have done whatever was possible through the administrative route. But where you require legislative support, you need the backing of others.

Question: Has the Left been more of a hindrance than an asset for you?

Answer: No, not at all. We are getting the support of all their 60 members solidly.

Question: But you are paying a price for it.

Answer: For everything, you have to pay a price. You are not running a single-party government.

Question: You have always been the number one minister. Weren't you upset when Manmohan Singh, whom you once appointed as RBI governor, became prime minister?

Answer: I am neither number one nor number two. I am just one of them.

Question: Don't you have prime ministerial ambitions?

Answer: Thank you for coming.



004. Address by External Affairs Minister Pranab Mukherjee on the occasion of National Launch of Global India Foundation: "India and the Global Balance of Power."

New Delhi, January 16, 2007.

It is with a feeling of expectation and pleasure that I am here today to participate in the national launch of the Global India Foundation, an initiative which is conceptualized and premised on promoting national resilience, economic prosperity and liberal values and the principal of social commitment in national life. That the Foundation would exemplify these values in its policies, priorities and programmes is important in today's age of globalization, closer interaction between Governments and non-government bodies and institutions. The inputs that we receive from such initiatives to complement those taken by official and government channels are welcome.

2. Think tanks for policy formulation draw upon experience of specialists from diverse fields and provide for long-term perspective planning and research. It is with such expectation that I endorse the objectives and scope of the Global India Foundation and it is my hope that the Foundation will undertake activities ranging from analytical research to informal bridge-building among diverse views as well as provide a platform for informal debate.
3. Friends, the international landscape today is significantly different from what existed even 15 years ago. How do we look at India's vision for the future? Our foreign policy since the time of independence has essentially been to expand India's strategic space. Our policy of non-alignment is our ability to judge and to act on our own judgment on the basis of enlightened self-interest. We do not wish to be passive observers and recipients of the actions of others, but would like to be one of the powers contributing to the shape of a global order which emerges and which allows us to pursue our vital interests. It also encompasses the policy of nurturing and increasing our activism in traditional constituencies in the developing world.
4. As we approach the sixtieth anniversary of our independence, India's international prospects have never looked better. The new optimism about India's future, within the nation and the wider world, is not necessarily an irrational exuberance. It is based on sustained high

economic growth rates that have touched eight per cent and more per annum in recent years. It recognises that for the first time in the last sixty years, India's relations with all the major powers are improving simultaneously. Our engagement with our extended neighbourhood -- from South East Asia to Southern Africa -- has become at once intense and broad ranging. India's ties with countries as far apart as Latin America and East Asia are rapidly expanding. Our relations with our neighbours, including China and Pakistan, are poised for a positive transformation.

5. Today I wish to share with you my assessment of the international situation and the many foreign policy opportunities that beckon India. Any survey of the global situation today must deal with a simple fact. More than sixty years after the Second World War, the structure of international power bears no resemblance to that which obtained amidst the Yalta settlement. The defeated powers, Germany and Japan, which had to accept many imposed conditions on them are today fully integrated into the international system. The once warring European states have integrated themselves into an economically powerful Union. The victorious powers of the Second World War, America and Russia, which went through a Cold War for 40 years, now confront a vastly altered global landscape, which has multiple power centres.
6. Much of the developing world has liberated itself from colonial rule and imperial oppression. Many developing nations have turned in an impressive economic performance in the last few decades. And some of them, especially China and India, are now poised to break the old paradigms that animated us so much in the past: developed versus developing countries, North versus the South, and East versus the West. The new wave of globalisation has begun to accelerate the redistribution of power in the international system. The unfolding rise of China and India has resulted in more than a resurgence of Asia. The consequences of rapid growth in China and India are being felt in Africa and Latin America.
7. Yet, the global institutions -- for the maintenance of international peace and security and the promotion of economic prosperity -- designed at the end of the Second World War continue to dominate our thinking. Resistance to change is natural in all institutions. But change is inevitable. In the current debate on reforming the United

Nations, India has repeatedly underlined the urgency of restructuring global institutions -- both political and economic -- to reflect the new power realities on the ground. The potential for failed states, terrorism and religious extremism, and the spread of weapons of mass destruction demand a new global consensus on a number of issues. These include when and where to use force against new security threats, the norms for international legitimacy, and the relationship between national sovereignty and external intervention. For now, there is no international agreement on the very definition of new threats, let alone on the means to deal with them.

8. Where does India stand in the unfolding global order? And what should be our foreign policy priorities in a world that is changing in so many different ways? The biggest challenge for our foreign policy, however, lies in changing our own mindsets. The Indian strategic community must come to terms with our increasing weight in the international system. Today's India is not a bystander to the actions of other powers. The choices India makes today have the potential to change outcomes on issues ranging from global environment to
9. From a practical reading of the current world situation, it is not impossible to see that balance of power politics of the kind seen in 19th century Europe makes little sense in today's globalising world. Today, there is unprecedented engagement and cooperation among major powers. The prospect of a war -- either cold or hot -- between the great powers is rather remote. Their economies are ever more intertwined and there is unprecedented political cooperation among great powers that were once rivals.
10. What the world needs, then, is not old style balance of power but a well-crafted system to promote a "balance of interests" among the major powers. No structure of international security will endure if it does not take into account the interests of all the major powers. That is also true of regional security arrangements. To be credible, such a structure must also ensure a balance of interest among states in different regions. Above all, amidst the breakdown of traditional territorial barriers and the growing impact of the information revolution, diplomacy is no longer limited to states. To be successful in the modern age, we need a balanced approach to the interests of the rich and poor, privileged and under-privileged cutting across national boundaries.

11. In our immediate neighbourhood, Indian policy has often been misconstrued as a search for hegemony. We have also often been accused of treating South Asia as an Indian sphere of influence. India's primacy in South Asia is based on demography and geography. We have borders with all the other South Asian countries, while only Pakistan and Afghanistan among the SAARC states share a frontier with each other. That reality will not change. India's commitment to develop political relations with its South Asian neighbours on the basis of sovereign equality and mutual respect is underlined by our recent decision to upgrade the 1949 friendship treaty with Bhutan and our willingness to review the 1950 treaty with Nepal. Amidst the increasing globalisation of South Asian economies and polities, there is no question of India pursuing the outdated idea of an exclusive sphere of influence. India's strong support to the entry of China and Japan into the SAARC as observers underlines India's commitment to open regionalism in the Subcontinent.
12. The real opportunity in South Asia today is the prospect for shared prosperity between India and her neighbours. For too long we in South Asia had little to share but poverty. Today, amidst high growth rates across the Subcontinent, we are in a position to advance together through free trade, open borders, and regional economic integration. Trans-border transport and energy corridors would not only link the Subcontinent within itself but also with the abutting regions of South East Asia, Central Asia and the Persian Gulf. On its part, India is determined to open its markets to the neighbours. India is conscious that no South Asian nation can succeed on its own. We must create a stake for every nation in the economic success of the other. As we prepare to host the next SAARC summit in New Delhi, India will take the initiative in accelerating regional economic and political cooperation. We will also play a positive role in the deepening Asian economic integration as well as the establishment of new trans-border transport networks and energy pipelines with our eastern neighbours. In this context, the "Look East" policy has become central to our new strategy to intensify the development of our North Eastern region.
13. We hope to replicate our success in the east with a similar diplomatic thrust towards our western neighbours. Developing liberal trading regimes, better connectivity and economic integration with our north-western neighbours, Pakistan and Afghanistan, Central Asia, West Asia, and Africa are now high priorities for my government. Africa

has always enjoyed a special place in our foreign policy since independence. India is determined to become a long-term partner in African growth and is ready to contribute to more enduring capacity building on the continent.

14. As West Asia confronts dangerous turbulence and political fragmentation, India is prepared to contribute fully to the peaceful resolution of various conflicts in the region. Finding a balance between divergent interests of regional forces has become more urgent than ever in West Asia. We know from our own experience that stability and prosperity to our west accelerates our own economic growth. India has a long record of contributing to peacekeeping missions in this region. We would like to build on this record and help structure a cooperative security order with our many friends and partners in this region.
15. The end of the Cold War has liberated India to simultaneously deepen our relations with all the major power centres. We are no longer bound by the Cold War paradigm where good relations with one power automatically entailed negative consequences with its rivals. No great power today pursues exclusive cooperation with others. Nor is any one great power asking us to limit ties with others. India has learnt that increased cooperation with one power opens the doors further with others. For the first time in India's independent history, it is now on an upward spiral of improving relations with all the great powers. For all the gains we have made in recent years, our relations with the U.S., China, Russia, Japan, and Europe are all way below their full potential. It is our task in the coming years to deepen cooperation with them all. We will endeavour to inject real political content into the strategic partnerships that we now have with all the major powers.
16. As a confluence of many civilisations, it is only natural that India has consistently rejected the notion of a "clash of civilisations". Unfortunately, the idea of a "civilisational war" has, however, gained some salience in recent years. India, on its part, is ready to join the various international efforts to promote a more intensive engagement among different civil societies, religions and civilisations. Located at the cross-roads of different civilisations, India has for centuries been home to many religions and cultures. We are ready to share our experience with others to promote diversity and tolerance in the world.

17. We are in the middle of an extraordinary technological revolution that promises to radically improve the human condition and accelerate the redistribution of power among states. States that are capable of adapting to the new technological revolution and are in a position to contribute to the new knowledge economy will prosper in the new age. India, with its favourable demographic profile and recognised strengths in the emerging knowledge industries, must take full advantage of the new opportunities to reposition itself in the global order. Our efforts, impressive as they have been so far, have run into a whole range of high technology sanctions imposed on India collectively by the advanced countries since the mid 1970s. Removing these restrictions, set up in the name of non-proliferation, and the associated "catch-all" provisions barring the sale of most advanced technologies in the areas of space, computing, communication, etc., has been a major objective of Indian foreign policy for decades. Success is finally at hand with the on-going implementation of our nuclear agreement with the United States signed in July 2005. We are now on the verge of liberating ourselves from this high technology blockade. The prolonged scientific isolation coupled with political scare-mongering has whipped up much confusion on the provisions of the Indo-U.S. nuclear deal. The initiative of the U.S., backed by other major powers including Russia, France, Great Britain, as well as our partners in the developing world, including Brazil and South Africa, acknowledges the importance of resuming civilian nuclear cooperation with India and the centrality of India in the construction of a credible non-proliferation system. Our track record on this issue has been accepted and vindicated.
18. As the world comes to terms with a rising India, we must, in turn, bear the burdens that come with being an important power. I would like to assure this august gathering that our government will not fall short of the expectations from our own nation as well as the world. Whether it is in addressing the new global challenges -- from trade to environment to international security -- or in the new regional opportunities for peace and prosperity, India is ready to fulfill its obligations.

Jai Hind



005. Inaugural Address by External Affairs Minister Pranab Mukherjee at the Petrotech Conference - 2007.

New Delhi, January 16, 2007.

My colleague & friend, Shri Murli Deora, Hon'ble Minister for Petroleum & Natural Gas, Excellencies, Distinguished delegates, ladies & gentlemen,

It is a great privilege and pleasure for me to join you here at the Inaugural Session of Petrotech-2007, the 7th International Oil & Gas Conference and Exhibition.

During these last 12 years, the Petrotech series of conferences and associated events have periodically brought together a wide-ranging array of major players in the field of energy and hydrocarbon, from both India and abroad. The event has proven its success and usefulness in showcasing India's advances in energy sector, as also the challenges and opportunities before her, enhancing our interaction with the rest of the world for mutual benefit, and in addressing some of the major topical global concerns. Renowned, erudite, and eminent policy-makers, administrators, scientists & technologists, managers, and traders, who congregate biennially for these events, have endorsed their support and approval through their increasing and stronger participation progressively.

A most welcome feature of the Petrotech this year is the conclave of 11 distinguished petroleum ministers from countries representing OPEC and other producers as well as consumers. To the visiting dignitaries, as well as to all distinguished delegates here, I extend my greetings and welcome.

I also wish to take this opportunity to congratulate Shri Murli Deora, and his collaborators from India's hydrocarbon sector, and in particular Oil and Natural Gas Corporation, for organising such an impressive mega international event, in a sector of over-arching importance, along with a series of other focused deliberations on some specific themes, and organizing an international exhibition and a Buyer-Seller Meet.

Excellencies, ladies & gentlemen,

The Petrotech themes have been topically relevant, just as the contemporaneously apt theme this year is, 'Energy, Economy, Equity, & Environment'. Energy is a prime mover for the world's economy, indeed for the mankind and the society as a whole. For the continued well-being and growth of economy of a country or society, energy is the most critical factor.

Equity among countries at various stages of development, equity among producing and importing-consuming economies, equity among various users be they industry or the common man, is a sine qua non for our collective benefit. And in this age of ever growing threats to our fragile environment, the imperatives of sustainable development can be ignored only at our own peril. Each of these four areas impinges on the others, in a complex matrix as it were. The theme of Petrotech-2007 interweaves these four major areas of global concern in a balanced and integrated approach. The challenge is to meet the energy needs of all segments of people in an efficient and affordable manner ensuring long-term sustainability and environment protection.

From the primeval age when man discovered to make fire, energy, in its myriad forms, has been vital to us, and therefore subject of complex interplay. Its intricacies and exigencies have now grown manifold. In our globalising world today, given energy's crucial place in the scheme of things, global cooperation and understanding in energy, for all its facets, and at all its levels, is essential and inescapable. 'Oil diplomacy' must remain harnessed with a view to balancing and harmonising various interests, occasionally somewhat or seemingly contradictory, such as those between producers and consumers. I say 'seemingly' advisedly, for there is in reality a natural alliance between the producers and the consumers, both being two sides of the same coin, in a relationship of mutual dependence and cooperation.

The presence here of several oil ministers from a range of countries, including OPEC, as well as other distinguished representatives, is an encouraging evidence of these concerns, thoughts, and the spirit of mutual cooperation being shared widely.

Excellencies, ladies & gentlemen,

With accelerating economic growth rates, particularly in this part of the world, including India, the global energy consumption pattern is set for a significant evolution with attendant wide-ranging repercussions. Our own economy is now growing at 8-9 percent annually. We aim to raise it to double digits within the next five years. This would translate into our energy needs growing many times in the years to come. Hydrocarbons already account for about 45 percent of India's total energy requirement, and 70 percent of this is imported. By 2025 India's hydrocarbons requirement is set for a 4-fold increase. The need for rapidly increasing imports, coupled with a trend of robust price escalation, is therefore an area of paramount importance and concern to a country like India.

Wider and more intensive exploration for new finds, more efficient and effective recovery, a more rational and optimally balanced global price regime - as against the rather wide upward fluctuations of recent times, and a spirit of equitable common benefit in global energy cooperation, are major instruments in a strategy towards this objective.

In recent years, particularly starting with the launch of our major economic reforms process in 1991, India has made concerted efforts to build a vibrant and efficient oil sector in the country. Our UPA Government's policy pertaining to energy and the hydrocarbon sector clearly prioritised, and I quote, "... (to) immediately put in place policies and enhance the country's energy security particularly in the area of oil. Overseas investments in the hydrocarbon industry will be actively encouraged. An integrated energy policy linked with sustainable development will be put in place." Unquote.

Sustained efforts are accordingly being undertaken to strengthen the energy sector with petroleum & natural gas at the forefront of the policy initiatives. Our 'India Hydrocarbon Vision-2025' laid down the framework for this, with a view to achieving country's long-term energy security. The policy has triggered a more definitive paradigm shift towards free market and competition, with increasing private sector and overseas participation in all important segments of our hydrocarbon sector. Ever more areas and opportunities for investment, technology and entrepreneurship are now open for the global players as well as for India's own public and private sectors. Bulk of the oil & gas potential of the Indian basins still remain locked up. The resounding success of these policy measures was already evident in the interest and confidence shown by the variety and numbers of participation in our recent new exploration licensing round.

With time hydrocarbons has evolved from being a consumer industry to now a high-tech industry. Technological innovations and upgradations are vital for improved exploration, conversion of prognosticated resources into in-place resources, and for more efficient and effective recovery. Equally, affordable availability widely of new technologies needs to be facilitated deliberately. Besides spurring economic development more universally, a collaborative and inclusive approach will benefit all partners, such as by environment protection.

In India, too, like elsewhere, we need to ensure that our current accelerating economic growth process is not constrained by energy paucity. Energy security must remain a prime objective of our policies and all-round efforts. We are moving towards this through intensification of indigenous

exploration, bringing in more 'equity oil' from overseas, improving the recovery by leveraging advances in technologies and professional management, and tapping emerging areas like coal gasification.

Greater availability of energy resources must be accompanied by equally sustained efforts for their more efficient use. Conservation through more rational use, application of innovative technologies, and a fundamental rethinking of energy strategy are the need of the day in the face of ever-higher energy consumption levels.

Yet another challenge before us is to reduce and manage adverse environmental impact of enhanced production and consumption of oil & gas. The alternative is disruption of the balance in nature and ecosystems, a sobering prospect of doom. The growing levels of air pollution, adverse climate change, and global warming already pose a threatening spectre. Besides, the environmental damages also otherwise impact the economy adversely - assessed to an extent of 10 % of GDP. This too calls for global cooperation, by way of bridging the knowledge gap, active interaction and cooperation between energy and environment agencies, and adoption of environmental technologies, as a matter of serious urgent attention for restoring and retaining our world as a 'green planet'.

Even without the adverse environmental impact of burning fossil fuels, hydrocarbons are but a perishable, finite source of energy. Redoubled, sustained efforts are required to develop new, alternative, and renewable sources of energy at an affordable cost. Wind, solar, geo-thermal, biomass, hydrogen, and nuclear energy sources are already at various stages of development. The scenario for some of these sources evolving to a level where they can effectively supplement, even supplant, hydrocarbons is distinctly on the horizon, and we need to considerably enhance our investment and efforts for their materialization. As a country with tremendous and growing scientific and technological R&D capability, India will continue to play an ever important role in shaping the future course of energy science globally, and in particular in the development of alternative sources of energy. This capital city of India is a justifiably boastful pioneer in operating the world's largest environment-friendly CNG-run public transport system.

Excellencies, ladies & gentlemen,

This Petrotech series of oil & gas conferences and exhibitions has come a long way in providing a global platform to all stake-holders for interaction and sharing of knowledge and experience, in a collegial approach to

addressing some of the most vital global concerns. These are major challenges of our times, but it is for us to grab them as opportunities with both hands. The present forum provides such an opportunity. I am confident the deliberations and interface at the event this year will progress very significantly towards its objectives.

I wish the Conference all success. With this I declare Petrotech-2007 open.

Jai Hind.



006. Address of External Affairs Minister Pranab Mukherjee at the 86th annual function of ASSOCHAM: 'March Towards 10% Growth'.

New Delhi, January 17, 2007.

Mr. Anil Agarwal, President of ASSOCHAM, the incoming President, Shri Venugopal Dhoot, Excellencies, Ladies and Gentlemen,

It is a pleasure and honour for me to attend this 86th Annual Function of the Associated Chambers of Commerce of Industry. It is a matter of pride that ASSOCHAM, born in the pre-independence era, has successfully adapted itself to the changing times and continues to be vibrant and dynamic. I understand that in this month of January alone, they are organising six events on a variety of subjects including defence industry, leadership, mutual funds, corporate taxation and education.

I wish to compliment Shri Anil Agarwal, President of ASSOCHAM and his team for their leadership, which has raised the profile of the organization.

The ambitious theme of this Conference '**March Towards 10% Growth**' is a reflection of the paradigm shift in Indian economy and in the Indian mindset. Not very long ago, both Indians as well as foreigners used to describe the slow growth rate of India as 'Hindu rate of growth'. Experts used to compare India unfavourably with the high growth economies including some in Asia. Today, the scenario has completely changed, and India has emerged as the "fastest growing free market democracy in the world". What makes India's achievement distinct is that we have managed to increase growth rate despite the large population, enormous challenges and diversity of our country.

The credit for India's new status goes to the policies of the government, entrepreneurship of the businessmen and the new mindset of the people who have a new vision and determination to create a new India that will find its rightful place in the comity of nations.

There is no doubt that the Indian economy has undergone a fundamental and irreversible transformation. From an economy that suffered shortages of foodgrains till the seventies, we have now become self sufficient and got even exportable surplus. After having gone through embarrassingly low levels of foreign exchange reserves in the past, today we have ample reserves of 180 billion dollars. After having been an aid-recipient for many years, India has now become an aid-giver to many developing countries. From an 'agricultural economy', India has now transformed into a 'service' economy with over 50% of contribution of services to the overall GDP.

India's economy registered an average rate of growth exceeding 8 percent during the last 3 years. In the first six months of the current fiscal year, the GDP growth was 9.1 percent, which is a record in itself. India's industrial production grew at 10.3 percent and manufacturing sector at 11.2 during the current year (up to October), which is the fastest pace in a decade. Exports are growing at three times the growth of GDP at around 25 percent during the last four years.

Given the strong foundation of macroeconomic fundamentals and the accelerating growth in recent years, it is perfectly logical to aspire for a double-digit growth in the coming years. It is an achievable target and realizable goal.

The march of the high growth will put India among the top economic powers of the world. According to Goldman Sachs report, India could become the third largest economy in the world by 2040 in terms of GDP. But the growth is not just quantitative. India is positioned at the vanguard of the emerging new Era of Information and Knowledge Society, thanks to the IT revolution. It is in this context that India is moving up fast in the value chain of global perception.

The economic reforms have unleashed a new entrepreneurial energy and spirit. The Indian manufacturing sector, which needed protection in the past, has now become globally competitive and is seeking opportunities outside India. In 2006, the outgoing FDI exceeded the incoming FDI. Who would have imagined in the pre-reform days that Tatas would manufacture commercial vehicles in Korea, Mahindra & Mahindra would make tractors

in USA, Ranbaxy would produce pharmaceuticals in China and TCS would employ 3500 people in Latin America to develop software in Spanish and Portuguese?

The Information Technology has come as a blessing to India and the Indians. The Indian IT companies have established a new benchmark and a global brand image. Today an Indian name has become a plus point in attracting venture capital in USA. There is a new recognition and respect for Indians around the world. Lakshmi Mittal and Indra Nooyi have made the global corporate world take note of the heights to which Indians could rise even in the old economy.

The youth of India who form over fifty percent of the population have become the new asset of India. The young generation has a totally new mindset with confidence and optimism, ambition and determination. They have been empowered by the IT that has enabled them to connect, communicate, collaborate and compete with the world, transcending the frontiers of nations. This asset of young human resources would fill the shortage of skilled persons expected to reach around 40 million in the developed world by 2020. The new Indian mindset is not afraid of globalization. On the other hand it is seeking opportunities arising from the globalization. Some people have started talking about "Indianisation of the Globe".

While we are excited about the prospects of high growth and prosperity, we are conscious that the benefits of this growth should flow to all sections of the population. While we seek more growth, we also want growth for more. Inclusive growth is essential for sustainable and balanced development of the country. We need to uplift the lives of the people in the villages who form seventy percent of our population. There is need for a second generation Green Revolution. Agriculture has to be transformed from subsistence model to a sustainable business model with value addition from food processing, supply chain, cold storage and marketing. The government is investing in rural development improving infrastructure, connectivity, education and health care. The *panchayati raj* has empowered the rural folk who have shown a sense of responsibility and vision for the development of their villages. The reservation of one third of local body administrations for women has added a new force for development of homes and communities in the rural areas.

We are glad to note that the corporate sector also shares the Government's perspective and has started focussing on business in the rural areas. The bottom of the pyramid is seen by the corporates as a new business opportunity.

The other concern in the context of the high growth is environment. We should ensure that the rapid growth is environment-friendly and sustainable. We have to protect the quality of air and water and maintain the equilibrium of nature.

If the economy grows by ten percent, there will be corresponding growth in energy demand. But our energy situation does not look good. We are at present importing seventy percent of our crude oil requirements at a high cost. We need to intensify our efforts to make use of non-conventional energy resources including bio fuels, wind energy and solar energy. We should look at the example of Brazil, which has reduced oil consumption and pollution through the use of ethanol as fuel. Our companies should go out and acquire oil and gas assets abroad. They should also acquire mines, forests and agricultural land in Latin America and other areas where such resources are available.

I mentioned earlier that human resource is our major asset. But to make use of this asset for higher growth, we need to invest in and reform our elementary and secondary education.

While some of our higher educational institutions have become world class, much needs to be done to improve the school education. Another challenge for high growth is the infrastructure bottleneck. Conscious of this, the UPA government is giving priority to expansion and modernization of roads, ports, airports and utilities. Given the magnitude of the cost and work, we believe that public-private sector partnership is essential for this task.

Excellencies, Ladies and Gentlemen,

In my current capacity as the Minister of External Affairs, I would like to mention the role of the External Affairs Ministry in the growing business engagement of India with the world. We call it as Economic Diplomacy. The Ministry and the network of Indian Embassies around the world facilitate and promote India's economic and commercial interests abroad. The Indian diplomacy works in partnership with the Indian business, Chambers of Commerce and Industries such as ASSOCHAM, contributing to the global agenda of Indian business. The Ministry of External Affairs works closely with the Commerce Ministry in promoting business with markets of developing countries through Focus-Africa, Focus-LAC, Focus-CIS and Focus-Asean programmes. The Government of India has granted over a billion dollars of Lines of Credit

to other developing countries, as part of its policy of development partnership. This has helped the entry of Indian companies in the markets of these developing countries. I take this opportunity to invite the Indian business to work in partnership with our Economic Diplomacy in achieving our common economic goals. I especially invite ASSOCHAM for collaboration with our Ministry, in the same way as CII and FICCI are cooperating with us in organization of business events and projects.

In conclusion, I wish the ASSOCHAM continued success in their mission. I share your optimism that we could achieve ten percent growth, if we put our act together.

Thank you.



007. Remarks by External Affairs Minister on Peace, Non-Violence and Empowerment -- Gandhian Philosophy in the 21st Century.

New Delhi, January 29, 2007.

It is indeed a proud moment for me as a Congressman to be here with you today to share my thoughts on peace, non-violence, empowerment and Gandhian philosophy in the 21st Century.

2. What greater validation does one need on the relevance of Gandhiji in the 21st Century than the presence of leaders from 88 nations who have gathered here to celebrate Satyagraha Centenary and share thoughts on Gandhiji? It was exactly one hundred years ago when the mighty mind of Gandhiji forged the instrument of Satyagraha based on truth, non-violence and the power of self-suffering. This instrument helped India shake off colonialism and showed the path to many other countries suffering under the oppressive rule of colonial powers to march towards independence.
3. Gandhiji launched Satyagraha on 11th September, 1906 at a mass meeting in the Empire Theatre in Johannesburg in South Africa to resist the ordinance which the apartheid regime in South Africa sought to impose upon the Indian immigrants.
4. For Gandhiji, Satyagraha was the supremacy of moral force over

physical force. He called it the "Soul Force". Satyagraha, Gandhiji said, is a "vindication of truth not by infliction of suffering on the opponent but on one's own self. That requires self-control. The weapons of Satyagrahi are within him". For Gandhiji the cause was as important as the process. The issue had to be just, true and substantial. Driven by this conviction, Gandhiji stepped forward to take on the collective might of the State. He was the first "Satyagrahi" in the world to go to jail for upholding human rights. In his own words, Gandhiji described the evolution of Satyagraha as "I am myself daily growing in the knowledge of Satyagraha. I have no text books to consult in time of need..." This struggle in South Africa lasted for 8 years from 1906 to 1914 and ended with General Smuts accepting Gandhiji's proposals.

5. After his return to India in 1914, Gandhiji used Satyagraha on a number of occasions from the very local issue of Virangam customs to Indian Immigration Act, Champaran struggle, struggle of mill hands of Ahmedabad, Kheda struggle, Rowlatt Act and Khilafat movement. Over the years, Satyagraha evolved as a powerful expression of the will and aspirations of the people of India to win "swaraj".
6. When Gandhiji returned to India in 1914, the Indian National Congress was almost 30 years old. On the advice of Shri Gokhale, Gandhiji set out on his travels to understand and identify with the masses in India. It was during this period that Gandhiji metamorphosed into a true Indian. He adopted the austere lifestyle of a common man and learnt to empathize with his struggles, sufferings, simple joys and sorrows. With his keen intuition and sensitive heart, he understood the psyche of the nation. His great quality of first practicing in his own life what he preached to others made him "*Mahatma*". The great strength of the Mahatma was total and implicit confidence of masses in him. It was his crusade against communalism in *Noakhali* which inspired Lord Mountbatten to say "*fifty thousand soldiers cannot maintain peace on the western frontier and prevent communal elements from reckless violence while on the Eastern sector there is no ripple of violence because of one man boundary force*". He appealed both to the intellect and the heart of the masses. He again epitomized the aspirations of 400 million people of India when he uttered the two words "Quit India" which started the movement that finally led to "*Poorna Swaraj*".
7. Gandhiji evolved with time and his ideas changed but there were

"three constants" in his life and these were *Truth, Non-violence and self-sacrifice*. His ideas and his way of life permeated the collective conscience of India and found expression in all the democratic institutions that we have built over the years.

8. When we drew up our Constitution, concepts such as *fundamental rights, directive principles, abolition of untouchability*, rights for the under privileged and the marginalized, were all inspired by Gandhian thought and philosophy.
9. Our Foreign Policy, which is based on "*Panchsheel*" propounded by Pandit Nehru, was itself drawn from the Gandhian philosophy of peace and non-violence. The five principles of peaceful co-existence are, *respect for each other's territorial integrity, non-aggression, non-interference in each other's internal affairs, equality and peaceful co-existence*. These principles have now become accepted norms of relations between nations and have been recognized throughout the world.
10. The power of Gandhian thought is there to see in our *Panchayati Raj institutions*. Gandhiji visualized five hundred thousand village parliaments which would take power to the people. We are presently engaged in giving this vision a practical shape.
11. In India, globalization is now a fact of life but we have followed a path of *reforms with a human face* . Never for a moment have we forgotten what Gandhiji taught us, that "*the human being*" *has to be at the center of all planning* and future development. Our development paradigm is linked to this philosophy.



008. Address by External Affairs Minister at the Inaugural session of the International Seminar on "Aerospace Power in tomorrow's world".

New Delhi, February 4, 2007.

1. At the outset, let me congratulate the Indian Air Force on its platinum jubilee celebrations. The IAF has maintained very high standards of professionalism and provided dedicated service to the nation for the past 75 years. The nation acknowledges the vital role played by the IAF both during peace and war. The professionalism displayed by the Indian Air Warriors has been widely appreciated during various international exercises and in UN Peace Keeping Operations. Our aircraft have crossed different continents and participated with distinction in training exercises in France, South Africa, Singapore and the United States. Indeed, these air warriors have put India on the global map.
2. Ladies and Gentlemen, concern for the security of a nation is inherent in the very concept of a nation-state. National security implies the creation of national and international political conditions favourable to the protection and furtherance of vital national interests. The core strength of a nation lies in its ability to defend itself and maintain its freedom to employ elements of its national power to further its vital interests. Traditionally, national security has implied maintaining territorial integrity and internal cohesion. However, modern security concerns transcend mere physical security. They encompass all factors that may impinge upon the socio-economic development, global competitiveness or the overall growth of a nation, including areas such as environment, energy, food and water security. Since some or most of these aspects are in play at all times, a nation needs to constantly exercise national power to condition its environment, internal or external, to nurture its interests.
3. While conventional wisdom dictates that economic and military power are the determinants of international power projection, today the role of soft power, as an important adjunct, can hardly be overrated. A brief look at international power structures reveals that nations that wield influence are those that possess significant economic and military power. However, history, even recent history, shows that such power can be wielded effectively only when enabled by soft power. Soft power shapes perceptions of hard military power,

obviates its use and endows it with legitimacy when the use becomes inevitable.

4. India's strategic perspective has been shaped by the continental and maritime character of its geography. India's peninsular location at the base of continental Asia astride the Indian Ocean places it at a vantage point in relation to the maritime trade that takes place through this ocean. We have a strong stake in the security and stability of these waters, which is linked to energy security, since a very large percentage of Asian oil and gas supplies are shipped through the Indian Ocean. I am pleased to note that the Indian Air Force has the means and the capability to operate in areas away from our shores, if the need ever arises, and is playing its role along side the Indian Navy in ensuring the security of these waters.
5. Ladies and Gentlemen, the international scenario has been undergoing unprecedented changes. Technology and mass media have diminished the physical and psychological distance between nations. Interdependence is a striking factor of today's world. The unceasing stream of mutual influences and cooperative trade has contributed to the making of a new global arena of shared diversity. Non-state actors have increasingly begun to tread on the geopolitical space of nation states. The threat of inter state conflict has receded but there has been no let up in conflict and new non-traditional threats to security have emerged, which transcend borders and which cannot be tackled by nations acting alone. This makes it necessary to isolate factors that cause international insecurity and to work in a cooperative manner to make our societies safer and more secure. As the traditional concepts of military use are yielding to more comprehensive notions of security, we now need to elaborate international structures that facilitate tackling the global character of these non-traditional threats.
6. In recent years, the effects of terrorism have been felt all over the world. It is no longer possible to tackle this scourge in a compartmentalized manner. We are witness to the alarming growth of new linkages amongst terrorist and radical groups. While it took the tragic events of September 11 to focus the world's attention on the threat posed by global terrorism, India has had experience of this kind of terror for longer. In today's interdependent world if we have to grow together, we need to work together to eliminate terror

in its entirety. A judicious mix of hard and soft power is called for as we target the perpetrators of these crimes and their sponsors and as we work to dent their messages of violence, hate and extremism.

7. Since India commenced economic liberalization in the early 1990's our economy is growing at a rapid pace. The high economic growth rates have a natural fall out on energy consumption. India is currently the sixth largest energy consumer in the world and our requirement would increase over the years. Our energy security vision now takes in countries in Africa, Middle East, Central Asia and South East Asia. The understanding on civilian nuclear energy with the United States also flows from this strategic view of our future energy needs and their global impact.
8. Another area of significant interest today is the proliferation of weapons of mass destruction and their means of delivery, including the possibility of their falling into the hands of non-state actors. A new thinking is called for in the light of recent developments and the damage wrought by clandestine proliferation rings. India has an impeccable record on non-proliferation, a long standing commitment to disarmament and is ready to shoulder its share of responsibility in the pursuit of the objective of non-proliferation of weapons of mass destruction and their means of delivery.
9. In the light of both traditional and new challenges, and in the backdrop of the significant enhancement of military capabilities across the globe, India is also alive to the needs of its armed forces and the requirement to maintain significant defence and deterrence capabilities. Our annual defence budget is nearly US \$ 20 billion in absolute terms or a modest 2.27% of our GDP. Aerospace power is an increasingly important area for allocations. IAF's existing aircraft and helicopter fleets are being upgraded and AWACS, Air to Air refuellers, Medium Multi Role Combat Aircraft, Advanced Light Helicopters and transportable radars being procured. This should considerably enhance IAF's potential and reach, thereby permitting it to undertake its national and international responsibilities. We are also devoting resources to air defence, as a part of which we are validating various technologies. This fits in well with the defensive nature of our doctrine of credible minimum deterrence and our commitment to strategic technological autonomy.

10. I note that in your next session you are going to discuss the transition from air power to aerospace power - what you have chosen to call the other RMA. Following the Revolution in Military Affairs, there is a growing focus on space-based assets to support a variety of military force multipliers. There is an increasing tendency as well to view space-based assets as critical national infrastructure to be protected or denied to potential adversaries. Satellites play an important role in intelligence, surveillance, reconnaissance, secure communication and delivering accurate firepower on the ground at large distances. Recent developments show that we are treading a thin line between current defence related uses of space and its actual weaponisation. While the focus on aerospace power is natural in today's circumstances, it is in our common interest to preserve outer space as a sanctuary from weapons and guard it as the common, peaceful heritage of mankind.
11. India has invested heavily in the peaceful uses of space and has a well-diversified and growing civilian space programme that answers to our development needs in education, telecommunications, remote sensing, management of natural resources and other areas. The recent successful launch of multiple satellites and recovery of a re-entry capsule are illustrations of the depth and diversity of this programme. We are also playing an active role in discussions in Vienna and elsewhere on the cooperative use of outer space including through the deployment of space based disaster management capabilities. There are a number of space faring nations today and many more, especially developing countries, wish to reap the benefits of the peaceful applications of space in the future. The security and safety of assets in outer space is of crucial importance for global economic and social development. We call upon all states to redouble efforts to strengthen the international legal regime for the peaceful uses of outer space.
12. As I mentioned before interdependence is the defining characteristic of our times. The prospect of conflict between the major powers is remote, our economies and societies are more than ever intertwined and the need for cooperative and democratic arrangements to respond to common challenges has never been more keenly felt. With its abiding civilizational heritage and its growing economic and technological capabilities, India is ready to contribute significantly to

the elaboration of cooperative responses to shared challenges. We are conscious that the choices we make have the potential to effect global outcomes on a range of issues and are therefore ready to shoulder our share of responsibility for the promotion of global peace and security. The subject of your discussions, aerospace power, can play a crucial role in the elaboration and employment of collaborative structures that tackle threats to our common wellbeing. Aerospace capabilities of persistent surveillance and rapid response enable it tackle diverse threats ranging from non-state actors to natural disasters. Cooperative partnerships between nations and between civil and military forces could allow us to cost effectively develop and deploy emerging aerospace technologies for the benefit of all humanity.

13. With these words, I welcome all the Air Chiefs from friendly foreign countries and wish them a very productive and engaging seminar. I hope you have a memorable stay in New Delhi.

Thank you.



009. Annual Lecture by President A.P. J. Abdul Kalam at the Association of Indian Diplomats.

New Delhi, February 7, 2007.

Past meets the present and creates the future

"We think peace after war,

Now let us think, why wars have taken place?"

I am glad to deliver the Annual Lecture to the Association of Indian Diplomats consisting of great minds in this area who had represented our country in various parts of the world. My greetings to all of you. I am happy that the years of unique experience of all of you are made available to the younger generation by way of training programmes and publications and you are keeping yourself posted with the latest serving the interest of our country. I would suggest that you should bring out specific case studies of your rich diplomatic experience and the significant contribution made by our country in maintaining world peace. When I am with you, I was thinking what I can discuss with you. As I see the experience of the experienced amidst the

current players of diplomacy with the energy of the future generation, I have chosen the topic of this lecture as "Past meets the present and creates the future".

Changing Phase of Diplomacy

Diplomacy is a dynamic process. It depends upon the state of the country, the state of the world, the global technological levels and aspirations of the human society. In future we may also move towards getting material from Moon and creation of habitat in Mars. Above all we have to keep peace in space. From the earlier cold war era, the world has become uni-polar. A number of economic powers are emerging in the world such as South East Asia, Gulf Countries, Brazil, China and India apart from the existing USA, EU, Japan and Russia. The revolutions in integrated circuit technology, internet, communication and space technologies have shrunk the distances and created a global village and Genetic Engineering has created a new dimension for healthcare. Thinking globally and acting locally has become a reality. The technologies have revolutionized the communication and contact among the world citizens and large population has their realistic appreciation of situation in other parts of the world. The borderless world enables optimal utilization of talent across the world be it science, technology, industry, economy and business. India, in particular, has demonstrated its upswing in economic development, and also in the field of space, nuclear science, Pharma and auto industries on a strong foundation of its democratic process. We have become a software capital of the world and the contribution of the Indian Diaspora, business leaders and talents in arts and sports are becoming increasingly visible in various parts of the world. Multinational companies are evincing great interest in starting new joint ventures with Indian companies. However the pace of progress will further increase if the country adopts a single window clearance system for foreign investment. The interaction among the reputed academic institutions from all over the world with Indian institutions is on the increase. Indian companies based on their technological and managerial excellence are able to take over large industries abroad.

Now, I would like to share with you my personal experience in dealing with the foreign collaboration which was mainly possible by the counseling, guidance and effective follow-up on a mission mode by our diplomatic community.

Pan African e-Network

During the year 2003-04, I visited African countries such as Sudan, Tanzania, Tanzania-Zanzibar and South Africa. I addressed the Pan African

Parliament on 16 Sept 2004, at Johannesburg, South Africa which was attended by Heads of 53 member countries of the African unit. Based on my study of the communication, healthcare and education needs of the African countries, I proposed the concept of Pan African e-Network for providing seamless and integrated satellite, fiber optics and wireless network connecting 53 African countries.

The proposal was to use the core competencies of our country in the field of IT for providing at least one hub in each of the African countries through which various e-services like tele-education, tele-medicine and e-governance could be provided. Pan African e-Network project brings together the terrestrial network between India and Africa through the international under sea fiber cable network and also the African satellite network services to provide education and health care services from India and Africa to the 53 Pan African nations and also connecting the 53 heads of the state. The universities and Super Specialty hospitals of Africa will also use this Pan African e-Network to provide services and content. I am happy to inform you that this offer has been received very well all over the African Continent and 20 countries will be connected in the first half of 2007 and the rest will be operationalized by early 2008 at a cost of \$100 million.

Role of Diplomacy in Programme Execution

Now, I would like to give the sequence of events which took place before signing of the MoU between India and African Union for implementation of Pan-African e-network project. As soon as the project was announced, a technical committee was appointed by Prime Minister's Office (PMO) to generate the project report. The project report was evolved in sixteen weeks' time coordinated by MEA with technical experts drawn from Department of Space, Rashtrapati Bhavan and Telecommunications Consultants India Limited (TCIL). MEA had also interacted with African Union (AU) and member countries in this period. After review by PMO, MEA organized presentation of the project report by a high level team to Chairman and members of the AU. AU also constituted a Technical Review Committee consisting of members drawn from AU and International organizations. The final presentation was made by the Indian team to the Technical Review Committee which observed that this proposal is in line with the missions and objectives of the African Union and provides tremendous potential for achieving the MDG (Millennium Development Goals) through the use of innovative ICT. Meanwhile, a presentation was made at Rashtrapati Bhavan to the 28

Ambassadors of Pan African countries stationed in Delhi. They also visited ISRO and also familiarized themselves with the operational tele-medicine facilities. I have seen the active contribution of MEA team members and the Indian Ambassador at Ethiopia in coordinating various activities connected with the project in a mission mode by comprehensively addressing the technical, programmatic, financial, contractual and international relationship angle. This enabled signing of the MoU on 27th October 2005.

An International Joint Venture - BRAHMOS

Similarly, I would like to recall the contribution of our MEA team in Russia in the signing of Indo-Russian Joint Venture agreement for BRAHMOS. BRAHMOS is a unique experience for design, development, production and marketing of a missile system - an Indo-Russian joint venture with equal scientific and technological and financial partnership. What we have achieved through this venture is the development and realization of a world-class product using the synergy of technological competence and consortium of industries of partner countries. The BRAHMOS missile is the first supersonic operational cruise missile existing in the world today and can be launched from any type of platform - land, sea, and air and precisely reach the targets either on land or at sea with high lethal effect. The missile has been inducted by the Indian Navy. In addition, the product being internationally competitive, it is able to service a large market with availability in time and state of the art performance at a competitive cost. This has enabled early entry of the product into the world market well before any competitor could emerge. This proves that if the core competencies of nations are combined, best of knowledge products can emanate well ahead of time. This being a new initiative, diplomacy had to play a unique role in visualizing the benefits of the programme to both sides while committing the co-operation and resources.

I am mentioning these examples to illustrate how our diplomatic community closely working with our technological and administrative segments of the Government can facilitate time bound accomplishment of mutually beneficial, multi-lateral, complex international collaborative initiative.

Nalanda Indo-Asian Institute of Learning

Now, I would like to mention about another evolving international partnership as an Indian initiative. To recapture the past glory in the

modern context, in keeping with Buddha's teaching for seeking knowledge in a holistic way by understanding the interconnectedness of things in life and the Universe, it has been proposed to establish a Bodhgaya Nalanda Indo-Asian Institute of Learning in partnership with select Asian countries. I proposed this as one of the missions of Bihar to the Legislative Assembly on 28th March 2006. Bihar Government, MEA and our missions in the South-East Asian countries have a great opportunity to implement this in a mission mode. All of you, with tremendous experience in various countries may be able to support MEA in this mission. You may also be able to support the Bihar Government on the development of spiritual tourism circuits attracting tourists from the country and abroad and particularly the people of south-east Asian countries.

World Knowledge Platform

During my visit to South-East-Asian countries in February 2006, I proposed a joint working programme called World Knowledge Platform. "World Knowledge Platform", will integrate the core competencies of the partner countries to develop knowledge products. This platform will enable joint design, development, cost effective production and marketing of the knowledge products in various domains based on the core competence of partner nations to international market.

Missions of World Knowledge Platform: The convergence of Bio, Nano and ICT is expected to touch every area of concern to the humanity. The "World Knowledge Platform" will take up the missions, in some of the areas given below, which are of utmost urgency to all of us to make our world a safe, sustainable, peaceful and prosperous place to live:

1. **Energy:** Leading to Energy independence using four types of energy systems; solar power using high efficient CNT solar cells, thorium based nuclear reactors and energy from bio-fuel such as bio-diesel and ethanol and hydrogen based fuel cells.
2. **Water:** Desalination, channelization and networking of rivers, layered wells for water storage in hill regions and flood control, water harvesting, water recycling, treatment and water management.
3. **Healthcare:** Diagnosis, drug delivery system, development of vaccines for HIV/TB, Malaria and Cardiac diseases, detection and cure of diabetics.

4. **Agriculture and Food processing:** Increased production of food grain in an environment of reduced land, reduced water and reduced manpower; preservation of food; food processing; cost effective storage and distribution.
5. **Knowledge products:** Hardware, Software and Networking and Storage Products including handheld micro and nano electronic devices.
6. **Transportation systems:** Fossil fuel free transportation systems using renewable energies, safety systems, Hardware and embedded software integration.
7. **Habitat:** Energy efficient, water efficient, pollution free habitat
8. **Disaster Prediction and Management:** Earth quake forecasting, assessing the quantum of rain for particular cloud condition.
9. **Capacity Building:** Quality human resource development for all the above areas including the development of personnel with world class skills.

The world knowledge platform will also evolve a virtual design centre with the participation of collaborating countries. India and partner countries can jointly take certain missions in the World Knowledge Platform. World knowledge Platform will be the launch pad for many innovations that are waiting to be unearthed only by the combined power of partnering nations. In addition to the above task, I foresee research on international peace and understanding with multi-country partnership could be a subject of common interest. This subject can encompass all areas of human development including enlightened citizenship and collective methods to combat obstacles to development particularly all forms of terrorism. I can see with your intimate knowledge of our country's cultural and spiritual heritage and your exposure to multiple nations and their culture, you can contribute by assisting in evolution of Prosperous India and peaceful planet Earth.

Conclusion

With the above background, I would like to suggest the following missions for the Association of Indian Diplomats:

1. Publication of case studies of effective diplomatic intervention in promoting business, science and social activities for mutual benefits to India and the partner countries.

2. Strategy for showcasing the current Indian development to the various parts of the world to generate joint programmes for mutually benefits. Apart from science, technology and industry based category of products for business promotion, our diplomats can study the core competence of every one of our *Panchayats* and try to link the core competencies of rural enterprises into a marketable export product in a sustainable manner.
3. 25 million Indians living abroad are bubbling with an urge, "what I can give for India". All of you with your experience in various countries may be able to suggest how this energy can be further channelised.
4. Members of Association of Indian Diplomats can take up a task to redefine the role of diplomacy when India is progressing to become a developed nation by 2020 for consideration of the Government.
5. Development of potential of India as a meeting of minds of human thinkers from various countries to develop enlightened citizenship as part of world knowledge platform.
6. The association of Diplomats may consider making suitable recommendations for further facilitating welfare of NRIs and mechanism for solving their issues so that our Ambassadors can win the confidence of the people of Indian origin in all countries.
7. Largest remittance is coming from the NRIs in Gulf Countries. The association of diplomats may like to study the special problems of people of Indian origin in Gulf countries and make suitable recommendations for their entry, working, living and exit.

My best wishes to all the participants of this Annual Lecture of the Association of Indian Diplomats and their families for success in their mission of better international understanding.

May God bless you.



010. Interview of Prime Minister Dr. Manmohan Singh with Italian newspaper *Corriere della Sera*.

New Delhi, February 9, 2007.

[As an affirmed economic power, an emerging Nation and a new multi-polar protagonist, which is changing the world, India is turning to Italy and is exploring its enormous potential. "Romano Prodi is an old friend and will receive a warm welcome", assured Prime Minister Manmohan Singh during his interview with il *Corriere della Sera*. Yet Prodi, the four Ministers, the President of *Confindustria* and the over 500 entrepreneurs who, starting today, will begin the long Indian mission, will not find only smiles and courtesy: all the economies of the world are knocking on India's door and competition depends on proposals and concrete possibilities.]

Q. Mr. Prime Minister, in which sectors do you believe there will be a significant increase in the India-Italy economic relations?

"Our relations are already good and are increasing. In Italy the Indian enterprises are investing in IT, automobiles, pharmaceuticals, and textiles, while in India the Italian companies are investing in machinery, infrastructures and chemicals, just to mention a few. We can and will do more, we want to increase the complementarity between Italy's design and technology and India's manufacturing abilities. At the same time we aim to further develop, also thanks to an agreement in 2009, our already excellent relations with the entire EU".

Q. Sometimes Italian entrepreneurs complain that the Indian market is not easily accessible...

"The world is taking notice of us and it is easy to understand why. Our reforms are continuing, we have grown 8% in the last two years and we want to reach 10% in the next four. But we do not want to get ahead of ourselves. The regulations concerning the access to our market respect the international standards and it is in our best interest to attract as many investors as possible. We have our problems, such as the infrastructures and the production of electricity. We will therefore invest in these sectors about \$500 bln in the next decade".

Q. Are you worried about too much demand, inflation, the increase in wages and the lack of qualified workers?

"Each growth process creates some forms of macroeconomic imbalance, but I am not worried because our strategy is cautious enough. You

mentioned a lack of qualified workers, but this is only the case in specific sectors and we are dealing with the situation".

Q. Those who criticise the Indian miracle say that the social inequality has increased, that more resources should be used for the fight against alienation and poverty...

"They are both right and wrong. Since 1980 poverty has decreased, it was 50% and now we are at about 20-25% of the population. This involves hundreds of millions of people. Naturally, this is still unacceptable and we will use our new resources in the fight against poverty. Social inequality is something different, but has the same needs: education, professional training and involvement in development. It is a challenge and we will face it even though we could have done more in the past".

Q. India has a leading role in the international scene. The nuclear cooperation agreement with the US is seen by some as a way to contain China's influence: what do you think?

"I have heard that too, but I think this is incorrect. President Hu was just here; we have excellent relations with China and India cannot be used to contain this or that. The civilian nuclear cooperation agreement with the US will allow us to deal with the energy requirements in an environmentally friendly way and confirms the excellent relations between India and the US. We have common values starting from democracy and we also have common worries".

Q. For example Iran, where the international community opposes the access to nuclear energy?

"Iran is a great nation which has its sensibilities and deserves to be treated with respect. We do not encourage in any way nuclear armaments in Iran, also considering that it has signed the non-proliferation treaty. We believe that Iran's energy problems must be taken into consideration and that the Iranian nuclear issue must be solved peacefully between Teheran and IAEA. We have told the US this as well".

Q. Mr. Prime Minister, India sends approximately half of its international funds to Afghanistan. Am I mistaken or is this a sign of wariness?

"Naturally you are not mistaken. Many Nations are putting military and civilian effort into Afghanistan and we must all continue to do so. We

must insist because there is much at stake. India is present for the rebuilding and humanitarian aid. We believe that we must give the Afghani people more roads, energy, schools and hospitals. But it is obvious that if the local population will not see improvements also security will deteriorate".

Q. Do you believe Pakistan could do more to stabilise Afghanistan?

"The Taliban use Pakistan to organise themselves, certainly Pakistan could do more. Our relations with Pakistan are based on a constructive dialogue and I am attempting to solve the bilateral issues which are still to be dealt with".

Q. Do you believe that the project, which the US does not approve of, to build a gas pipeline from Iran to Pakistan to India is a good idea?

"We are in dire need of energy and we are keen on carrying out this project. The negotiations are proceeding".

Q. What does the situation in Iraq suggest?

"That democracy is not instantaneous and that it cannot be created at the push of a button or pulling a trigger".

Q. Many believe that the war in Iraq is accelerating the return of multi-polarism, do you agree?

"I agree, the world today is multi-polar. Above all, economically speaking, because the ascent of India and China is an irreversible fact and not only concerning the economy".

Q. Yet a solution is still to be found for the regional crises. It is enough to think about the Middle East...

"I am extremely worried about the Middle East. And it is obvious that there are no military solutions, nothing can take the place of dialogue. Violence, all violence, represents a danger which should be eradicated above all in the Middle East".

Q. Mr. Prime Minister, India and Italy do not have the same opinion concerning the UN Security Council. Will this cast a dark cloud on your friend Prodi's visit?

"India has expressed its will to become a permanent member of the Council and those who believe in our credentials are increasing. Italy has its own

ideas concerning the Council reform, but we can work together to find a solution. A cloud? No, even if it were to rain there will be no problems between Prodi and I".



011. Keynote Address by External Affairs Minister Pranab Mukherjee at the 9th Asian Security Conference: 'Security Dynamics in Southeast Asia: Emerging Threats & Responses' organised by Institute of Defence Studies and Analysis.

New Delhi, 9 February 2007

I am honoured to address the Inaugural Session of the 9th Asian Security Conference. I see that you have an exhaustive agenda. I am sure your discussions over today and tomorrow would be fruitful and would advance understanding and the search for cooperative solutions to Asian security dilemmas.

It is befitting that sixty years since the Asian Relations Conference was held in this city, this Conference with the theme of Southeast Asia is taking place in New Delhi. Southeast Asia is the starting point of India's Look East policy. This policy conceived in and pursued since the early 1990s was prompted by significant changes in the global politico-economic scenario and by initiation of economic reforms and liberalization in India. ASEAN's economic, political and strategic importance in the Asia-Pacific region and its potential to become a major partner of India in trade and investment were significant elements in our approach. Over time, this policy gradually evolved to include the Far Eastern and Pacific regions. It also facilitated enhanced links with China, Japan, Republic of Korea, Australia, New Zealand, Fiji, Papua New Guinea and Pacific Island States.

Today Southeast Asia and India are partners in harnessing our respective economic, technical and professional strengths. ASEAN countries and India also have a convergence in security perspectives, a common interest in peace and stability in the region and in the maintenance of security of sea lanes of communication. We now have regular, annual dialogue at my level and at the Summit level. These political level interactions are further enriched by meetings of Senior Officials as also specialized working groups in

functional areas - science and technology, health, trade and investment and transport and infrastructure. The signing of the "India-ASEAN Partnership for Peace, Progress and Shared Prosperity" at the 3rd India-ASEAN Summit in Vientiane in November 2004 was a key development in our relations. The 5th Summit in Cebu last month has given further momentum to India-ASEAN ties.

The resurgence of Asia in political and economic terms has been accompanied by the rise of powerful economic forces unleashed by globalization and the trend towards regional economic integration. The engagement in the political and security arena has either followed or led to progressive economic integration in terms of Free Trade Agreements and Comprehensive Economic Cooperation Agreements that have either been concluded or are being negotiated with countries of the region. Since 1990, when our Look East Policy was initiated, our trade with countries of the region has grown from US \$ 8.1 billion to US \$ 67.5 billion and the share of trade with these countries in our global trade has increased from 19.4% to 28.2%.

Following the agreement reached at the Cebu Summit, we hope soon to conclude negotiations on a bilateral Free Trade Agreement with ASEAN. Our vision, as articulated by Prime Minister during the India-ASEAN Business Summit in New Delhi on October 19, 2004, is that of an "Asian Economic Community", which would be the driver of growth and economic integration in the entire region.

The usage of the term East Asia has over time expanded from its narrow confines of North East Asia to encompass the entire region from India to Japan. The First East Asia Summit (EAS) held in Kuala Lumpur in December 2005 was a historic event that underlined this evolution. Speaking at the Summit, Prime Minister Dr. Manmohan Singh said that the long term goal of the EAS should be the creation of a harmonious and prosperous community of nations that would pool its resources to tackle common challenges. He also observed that a virtual Asian Economic Community was emerging with the Free Trade Agreements (FTAs) amongst countries of the region. However, there is a need for a wider perspective so that ongoing processes could become building blocks for a larger vision. It was in this context that we have suggested a Pan-Asian Free Trade Arrangement that could be the starting point for an Economic Community. Such a community would be the third pole of the world economy after the European Union and the North American Free Trade Area (NAFTA).

The theme of this conference - security, cannot be looked at in isolation

from these broader political and economic developments. Even in a narrower sense, a significant aspect of our "Look East" policy has been the growing cooperation and dialogue on security issues both bilaterally with ASEAN countries as well as through multilateral institutions like the ASEAN Regional Forum (ARF), which also brings in significant non-ASEAN players in the Asian region. Our focus, including in our bilateral dialogues and cooperative activities with neighboring states in Southeast Asia and East Asia, has been on issues like border security, maritime security, counter terrorism and energy security. I am delighted to note that your agenda broadly reflects the priorities we have chalked in our dialogue with countries of the region.

Asia's security environment is unique given its geographical expanse and the political, economic and cultural diversity of the region. Our view has been that in Asia, a pluralistic security order based on a cooperative approach to security is the answer. For one, such a polycentric security order would be accommodative of the diversity of the region. It would also be a reflection of the growing strength and confidence, manifested either individually or through organisations such as ASEAN, of the various economic and security players in the region. In today's increasingly interconnected world, each participant has an equal stake and responsibility. Only a pluralistic security order working through a network of cooperative structures can have the legitimacy as well as the wherewithal to deal with the security challenges of the 21st century. This vision has guided our approach to Asian security right from the Asian Relations Conference of 1946 to the recent initiatives including the "Look East" policy.

Our participation in the ASEAN Regional Forum (ARF), which we value, flows from this vision, the 'look-East' policy and closer links with ASEAN as a full-dialogue partner. We consider ASEAN as the driving force of the ARF and believe that the ASEAN way of 'dialogue and consensus' should remain the ARF's guiding principle. Participation in the ARF also enables us to engage with a broader range of countries beyond the ASEAN underlining India's commitment and goal in ensuring regional peace and stability. It also underscores our belief that from India's perspective cooperative security can be looked at only in a broader context going beyond Cold War notions of sub-regions. I am happy to note that there is a greater recognition today of India's stabilising role in the region born out of our restraint, our economic dynamism and potential, the history of our civilisational engagement and our role as a firewall against destabilising ideas and influences. Encouraged by this we will continue to seek in our interaction with countries of the region greater political and economic

convergence, closer people to people links through cultural cooperation and educational exchanges and meaningful security cooperation to meet common challenges.

May I conclude by wishing you success in your deliberations.

Thank you.



012. Speech by National Security Adviser M. K. Narayanan at the 43rd Munich Conference on Security Policy.

Munich, February 11, 2007.

I am delighted to have the opportunity to speak before this distinguished audience on an issue that is of direct relevance to India's security. I propose to address the issue of financing of terrorism in the context of a sustained and multi-pronged combat against international terrorism.

International terrorism is recognized today as one of the gravest scourges facing mankind. Terrorism is not a new technique, and the view of many experts is that it may never be fully eradicated. What has made terrorism more lethal and widespread is the adoption of 'suicide' tactics, the availability of modern instruments, and global communications. The effectiveness of terrorism is often enlarged by the elements of theatre in it, magnified further by the reactions of targeted societies. The temptation to employ terrorist tactics is often derived from the comparative advantages that terrorism as a technique provides viz. the rapid spread of images, its immediate impact, and enabling communities that lie at the extreme edge of frustration to make their presence felt.

Admittedly, there is no one monolithic source of terrorism. The diversity of motivations becomes clear from an analysis of different geographical areas.

Undeniably, faith-based terrorism, which is sustained by strong external linkages and connectivity, is the defining global threat today. Intricate networking, connects vast numbers of radical Islamist terrorist groups, though any notion that Islam, the religion, is responsible needs to be categorically rejected.

World-wide, operations of terrorist groups reveal dangerous patterns. An entirely

new breed of terrorists has emerged. Terrorist outfits today have a trans-national reach. New cells and new franchises are evolving. New support structures and financing mechanisms are being created. Passing of messages is becoming more sophisticated. Terrorist outfits are no longer tethered to geographical locations, or for that matter, even to political ideologies. Captured militants reveal that it has been possible to acculturate recruits coming from different climes, backgrounds, skills and countries. Such cross-cultural compatibility is paving the way for deadly attacks in unexpected locales in the future.

The fight against international terrorism is thus likely to be a long drawn out, and sustained, one. There are two major areas on which to concentrate: First, the hard-core of terrorist planning where actual operations are conceived and implemented; and Second, the manner in which sympathy is generated for the objectives of particular cells, where recruits are inspired to sign-up and where hiding places are created away from the rule of law.

For the panel discussion, I shall restrict myself to the First aspect. Reducing the flow of funds and money supply to terrorist outfits and organizations is perhaps the most vital aspect after penetration of these outfits. Reducing the flow of funds would limit terrorist capability to acquire weapons, recruit cadres, establish training facilities and state-of-the-art secure communications. The difficulty, however, is that terrorism is generally a 'low budget' enterprise. Not all terrorist acts require large funds. The need for and quantum of funds is determined by the size and area of the operation.

The more common methods employed by terrorist outfits to generate funds - as experienced in the context of South Asia - are:

1. Voluntary contributions: From individuals, members of expatriate communities, and organizations that sympathize with the broad objectives of the terrorist organization. The LTTE in Sri Lanka and the Al Qaeda, regularly receive sizeable contributions through such means.

2. Forced/Compulsory donations: Ethnic, ideological and religious terrorists are known to use the technique of forced or compulsory donations. On special occasions such as religious festivals, sending round of 'collection boxes' is fairly common, and provides anonymity as well. Compulsory subscriptions to pro-terrorist publications have laterally become an important avenue for generation of funds. The Pakistan-based Lashkar-e-Toeba's monthly, *Majalah-al-Dawana*, and its weekly magazine, *Al Ghazwa*, are two prime examples.

3. State support/sponsorship: The Lashkar-e-Toeba, the Hizbul Mujahideen and the Al Badr (which operate in India), are well patronized, including through provision of funds, by certain official agencies across the border. Shared objectives such as involvement in 'Low Intensity Conflict' provide the excuse for such official support. A tentative estimate of funds made available to such terrorist outfits annually is in the region of a few million dollars.

4. Extortion and use of coercive methods: Many terrorist outfits today imitate criminal enterprises. Intimidation of small businesses, individuals and even some State enterprises to extort funds has become common.

5. Association with Criminal Syndicates: Jehadi and non-jehadi terrorist outfits seek, and enter into, partnerships with Organized Criminal Syndicates, and outsource fund-raising to the latter. This is largely true of metropolitan cities. It takes many forms, but mainly bank robberies and kidnapping for ransom.

6. Utilisation of legitimate business enterprises: Terrorist outfits set up legitimate business enterprises viz. restaurants, real estate, shipping, etc. and utilize part of the proceeds to siphon off funds for terrorist activities. Among terrorist outfits, the LTTE has a very well-established network of legitimate businesses, which provide both funds as well as logistics for their activities. Jehadi terrorist organizations have begun to follow suit.

7. Stock market operations: Isolated instances of terrorist outfits manipulating the stock markets to raise funds for their operations have been reported. Stock Exchanges¹ in Mumbai and Chennai (India) have, on occasions, reported that fictitious or notional companies were engaging in stock-market operations. Some of these companies were later traced to terrorist outfits.

8. Misuse of banking channels: Legitimate banking channels are regularly

1. On May 15 answering questions in the Rajya Sabha it was clarified by the Government that National Security Advisor M K Narayanan did not have any specific names in mind while referring to reported incidents of terror outfits raising funds in stock markets during his address in Munich.

The Finance Minister Chidambaram told the House that the NSA had mentioned about reports of isolated incidents of terrorist outfits manipulating stock markets to raise funds for their operations. He also added that no specific names were given by him. The Minister said the government had no hesitation in examining the issue if any member provided specific names involved in any such operation. Chidambaram said the SEBI, the RBI and other agencies were keeping a close watch on such illegal activities.

being used to fund terrorist operations. Many instances of funds received via banking channels from so-called safe locations such as Dubai and UAE intended for terrorist organizations have been detected by Indian Counter-Terrorist Agencies. Each individual transaction tends to be small so as not to attract attention and to avoid detection. Use of both real, and fraudulent, ATM cards has also been resorted to at times.

9. Narcotics: Funds from drug cultivation and trafficking in narcotics are extensively used to fund terrorist outfits. Both jihadi outfits and the LTTE rely heavily on such funds for their activities. The sharp rise in opium cultivation in Afghanistan - which has more than doubled during the past few years - raises concerns of more funds becoming available to terrorists. According to Indian Agencies at least 1/8th of their major interdictions reveal a drugs- terrorist nexus.

10. Counterfeit currency: Counterfeiting of currency is currently a favourite method being adopted (by Agencies across the border) to fund terrorist activities directed at India. Large amounts of high quality counterfeit Indian currency are detected each year - the normal route being via Nepal, and Bangladesh.

11. Charities: An important source of funds to jihadi terrorist outfits are religious charities. Sincere believers contributing to charities are perhaps unaware that a sizeable portion of the funds go to fund terrorist activities and terrorist outfits. Many of the charities are already designated as 'Terrorist Front Organisations'; yet most continue to operate under new labels. The Al Rashid Trust went through several changes in nomenclature, while the banned International Islamic Relief morphed into the Sanabil Al Khir Foundation. Conduits through which such funds find their way to terrorist organizations include established banking channels such as the Habib Bank in Pakistan.

Moving funds for terrorist purposes to the actual locale where a terrorist act is perpetrated is a carefully executed exercise. Terrorist outfits, as a rule, employ money laundering techniques so as to evade detection by Enforcement Agencies. The most popular means employed in South Asia for laundering funds, is the 'underground and parallel banking system' which ensures placing of funds without actual or visible movement of money.

A combination of conventional money laundering techniques, with placement of funds utilizing the 'underground and parallel banking system' has made it extremely difficult to track funds utilized for terrorist purposes, since no audit or paper trail is available. The globalisation of

terror, and the ability of terrorists to exploit state-of-the-art technology, thus further enhances their capability to move 'hot money' across international borders.

Even the most optimistic forecast is that terrorism as a form of asymmetric warfare will continue for the foreseeable future. International cooperation amongst States is, hence, a sine qua non. States still command larger resources than any terrorist group, and pooling of strengths by all concerned States is critical to defeat terrorism worldwide. Cooperation is needed both in the bilateral and multilateral spheres, including collective approaches through the United Nations. While some improvement has taken place in regard to bilateral cooperation, the role of organizations such as the United Nations becomes critical as terrorism becomes global. The 1267 Committee and the Counter-Terrorism Committee of the Security Council have a key role to play in this respect.

Many countries, including India, have already in place a legal framework for tackling terrorism. Several - India included - have specific legislations to prevent financing of terrorism. India has the:

- (a) Foreign Exchange Management Act, 1999,
- (b) Narcotic Drugs and Psychotropic Substances Act, 2003; and
- (c) Prevention of Money Laundering Act, 2003 (which entered into force in July, 2005), apart from provisions in other Acts such as the Unlawful Activities (Prevention) Act of 1967 as amended in 2004, to deal specifically with the threat of terrorism.

Adoption by the UN General Assembly of the UN Global Counter-Terrorism Strategy in September last year, has enabled a global consensus to emerge on measures that States must undertake to prevent and combat terrorism. India is committed to fully implementing the UN Global Counter-Terrorism Strategy, including measures against the financing of terrorism. India has also joined the International Convention for the Suppression of Financing of Terrorism. We have established the necessary legal, regulatory and administrative framework for combating money laundering and financing of terrorism. A Financial Intelligence Unit-India is already in operation and will be the nodal agency responsible for receiving, processing, analysing and disseminating information relating to suspect financial transactions to intelligence and enforcement agencies.

Conclusion

India has been working with its international partners and regional organizations to prevent and combat international terrorism. We have constituted Joint Working Groups with 25 States, and regional organizations like the EU and BIMSTEC, for coordinating and cooperating in our counter-terrorism efforts. These Groups meet regularly, and have proved useful in providing a forum for the exchange of information and experiences. In addition, India believes that there is need for far greater vigilance and stricter provisions so as to make off-shore jurisdiction more transparent. In addition, lifting banking secrecy and the corporate veil in terrorist-related cases would help. Some new and innovative disruption techniques could also be contemplated.

The importance of international cooperation in combating global terrorism, in all its dimensions, cannot be over-stressed. Only by showing zero tolerance to acts of terrorism committed anywhere in the world, and by working together, including sharing of intelligence on terrorist activities, can we effectively counter the terrorist threat. States must refrain from organising, instigating, facilitating, participating in, financing, encouraging or tolerating terrorist activities. They must take appropriate measures to ensure that their territories are not used for setting up terrorist infrastructures or training camps.



013. Remarks by External Affairs Minister at the Inauguration of the Nobel Laureates Lecture Series.

New Delhi, February 14, 2007.

Professor John Nash, Distinguished Guests, Ladies and Gentlemen,

I am happy to be here for the launch of the Nobel Laureates Lecture Series of the Public Diplomacy Division of the Ministry of External Affairs. I am especially delighted that Prof. John Nash is amongst us this evening and has agreed to be associated with this inaugural edition of what I hope will become an enduring series of lectures. Many of us here have read about Prof. Nash's life; some of us are also familiar with his path-breaking work on game theory; but all of us here tonight have heard about his indomitable spirit. It is with eager anticipation, therefore, that I join everybody here to listen to his talk.

For several years, we were told that life and relationships, whether these are between individuals, between companies and corporations, or between countries, are based essentially on a zero sum game; in other words, one can win only if the other loses. But many of us, especially those who are practitioners of foreign policy, recognize that a zero sum game can never lead to sustainable relationships and that we should strive for win-win solutions. Prof. Nash's professional life has involved numbers. But his message is also one of humanity, affection, care and cooperation. Through events such as the one being organized tonight, we are attempting to create the ambience for a more informed understanding of events and relationships that shape our thinking and our lives and we are particularly happy that Prof. Nash is the first of those who will address us.

This series is also based on a straightforward idea. We believe that foreign policy cannot and should not be treated as an esoteric subject that remains a closely guarded secret and is shared and discussed only between governments. Moreover, in a democracy such as ours, I believe it is imperative that issues are debated and discussed with a wide cross-section of our public so as to get an idea of how our people react to these issues and what they feel our actions and our responses should be. The only way we can do this is by engaging civil society in a continuous process of debate and discussion. The Nobel Laureates Lecture Series offers us the unique opportunity of hearing some of the

best minds of the world on contemporary issues. Listening to them and being in their presence should energize us into thinking outside the box. Individuals like Prof. Nash have shifted paradigms, altered them and taught us new ways to approach old problem. It is their gift of thinking differently that distinguishes them and it is their genius that sets them apart. Through this lecture series, I am convinced that our own way of approaching a problem could change.

I understand that one of the issues Prof. Nash will address tonight is globalization. This could not be more timely. No nation can escape the processes of economic globalization, which increasingly binds national economies into the world economic system. The world is seeing the emergence of new players on the field and earlier structures are giving way to the new. Economic diplomacy is emerging as one of the key instruments of policy. I am therefore very keen to listen to what our distinguished guest tonight has to say on this important subject. Let me say again how proud I am to launch our Nobel Laureates Lecture Series and to be doing so with Professor John Nash.

Thank you



014. Address by External Affairs Minister Pranab Mukherjee at the Annual Convocation of the Aligarh Muslim University.

Aligarh, March 10, 2007.

Hon'ble Justice A.M. Ahmadi, Chancellor of the University, Vice Chancellor Mr. Naseem Ahmad, Members of the Faculty, Members of the Academic Council, Members of the Court, Graduates of the year, Ladies and Gentlemen,

I am most grateful for the opportunity given to me to address you from this podium which has been graced by some of the greatest stalwarts of our country.

As I stand before you, I cannot but recall the founder of this institution, Sir Syed Ahmad Khan, who with his vision, his drive, his enthusiasm and his relentless sense of purpose, laid the foundations of this University and imbued it with a unique character and personality. Because of these solid foundations, the Aligarh Muslim University is today not just a shining star

of academic achievement in India, but the impact of its scholarship is also felt in different corners of the world. This impact has emerged from the large number of its students who hold distinguished positions in different countries and from the academic and research contributions that this University and its students have made in different disciplines.

It is impossible to stand at this podium and not reflect on the influence of Sir Syed, as well as his continuing relevance. Sir Syed was truly a "renaissance" personality; his interests ranged from botany and town planning to history, religion, culture and politics. And he wrote and commented on all these subjects with extraordinary enthusiasm and vigour, setting out his views clearly and inviting discussion and debate. The thousands of pages containing his views, reflections and meditations are a treasure that scholars have pored over and, snatching out isolated sentences and paragraphs, used in an attempt to define this complex personality.

But Sir Syed cannot be defined by simplistic labels. And, as he himself would have urged - his writings should be seen, above all, in the context of the debates that were raging around him on specific issues at that time. It is true that several of his reflections have a contemporary value. But even they cannot be detached from the context in which they were originally made.

I personally believe that Sir Syed was a multi-faceted personality who did not allow his thinking and understanding to stagnate; he constantly refreshed his mind with new insights and influences. While he was deeply concerned about Muslim "backwardness" and anxious that the community take advantage of modern developments in science & technology and other aspects of western achievement, Sir Syed was himself a product of India's composite culture, which had been enriched by a variety of different influences over several millennia and which he strongly upheld.

Throughout its history, India has had continuous interactions with diverse peoples from Central Asia, the Arabian Peninsula, Northeast Asia, Southeast Asia, Egypt and Africa, in later years, with the West. These interactions have made India comfortable with the languages and cultures of foreign peoples in our extended neighbourhood. Today, the rich tapestry of our vibrant and composite culture is the product of these seamless engagements. Islam brought with it not only the message of equality and brotherhood, but also a wealth of cultural and artistic achievements.

These interactions and engagements occurred at various levels, between scholars, religious and temporal figures, poets, artists, and administrators.

They also took place between common people - farmers and labourers - who were victims of the same feudal order that left them in want and penury in equal measure. The same people, however, also shared joyous occasions - births, marriages, festivals, as well as the sorrows of drought, flood, war and loss of loved ones.

Today, we recall a few names of great rulers and warriors, but every Indian household echoes with the names of the saints, the poems and the songs of our Bhakts and Sufis - Moinuddin Chisti, Nizamuddin Auliya, Mirabai, Kabir, Guru Nanak, Dyananeshwar, Namdeo and Tukaram. This common religion of love and brotherhood is echoed in this song of Kabir:

*"O Seeker, where dost thou seek me?
Lo! I am beside thee.
I am neither in the temple nor in the mosque:
I am neither in Kaaba nor in Kailash:
Neither am I in rites and ceremonies.
Nor in Yoga and renunciation.
If thou art a true seeker, thou shalt at
Once see Me; thou shalt meet me".*

This composite culture of ours impacted on all aspects of daily life, food, clothing, music and art. Muhammad Mujeeb has described that most effectively when he says:

"Religion became the religion of the people. Then, the spoken languages of the people became literary languages. We have the beginnings of Hindi, Bengali, Gujarati, Punjabi and Sindhi literature. Further, the city became the centre of culture, tailored clothing, came into general use, simplicity was discarded in favour of a life enriched and complicated by a vast increase in the articles of daily use, manners became elaborate and were, so to say, codified in the form of a recognized etiquette". Unquote.

This rich composite culture of ours continued to be nourished in succeeding decades. In our own times, the poet, Mirza Ghalib, rejected the empty ritualism of religion, and Mohd. Iqbal echoed the enduring strength of our culture thus:

*"For me, every particle of my country's dust is a deity.
Come, let us remove all that causes estrangement,
Let us reconcile those that have turned away from each other,
remove all signs of division".*

It was the strength and endurance of our composite culture that laid the foundations of India's contemporary secularism, which finds expression in our Constitution. It is true that in the events that led to our freedom, discordant notes were sounded, which culminated in the partition of our country on a religious basis. Now, with the wisdom of hindsight, certain obvious truths can be reiterated and reaffirmed. *First*, that the forces promoting partition on a communal basis were consistently supported by our imperialist masters, who saw in this division a long term value in terms of their strategic interests in South, Central and West Asia. *Second*, recent history has clearly demonstrated that nationhood needs stronger and more enduring values than mere religious identity; and, *third*, in spite of consistent challenges, the Indian people have continued to adhere to and vigorously uphold the core national values of democracy and secularism to which we committed ourselves in 1947.

I would like to emphasize at this point that however pervasive our national values and however widespread the popular support to them, they still need to be repeatedly reaffirmed, nourished and reinvigorated. Every political order, but particularly a democratic political order, has within itself individuals, groups, and movements that have alternative visions of history and of the future; they march to a different beat and sing a different tune. All nations, thus, periodically pass through situations when the established order is challenged. At such times, the people of the nation have to delve deep into their minds and souls and either reaffirm their core values or accept the fact that they are no longer relevant and should be transformed or replaced. The battle for the preservation of our core and founding principles is therefore a battle that we have to fight every day.

India has not been immune to this challenge. There are those within our body politic who reject the version of our popular history which exalts our composite culture, and, instead, define our history and our nationhood in exclusivist terms that enhances the status of one particular group at the expense of others.

I do not believe in the exclusivist approach. I remain convinced that India's destiny lies in squarely facing up to this challenge to our core values. But this challenge cannot be met through emotive sloganeering: it should be taken seriously and confronted with the full force of our intellect, and our deep commitment to and our broad engagement with the political and social processes of our country. In the debate pertaining to the idea of India, we are all denied the luxury of academic detachment. We have to enter the

debating hall and vigorously combat elements preaching the exclusivist ideology with all its passionate simplification and alluring appeal.

I am aware that the assault on our secular order is taking place even as there are deep concerns about the standing of the larger Muslim community in India, which, particularly in north India, is seen as being deprived and marginalized. No nation can aspire to greatness when large sections of its population are excluded from the benefits of national achievement and progress. I would like to convey to you from this historic podium that as a responsible and responsive Government, we are deeply concerned about the status of our deprived communities, including the Muslim community, and we stand committed to ensuring that matters pertaining to their welfare and progress are addressed.

Complex issues of socio-economic development cannot be taken care of through a simplistic adherence to the so-called "trickle-down" theory of economics. What is called for is vigorous governmental action at the grass-roots level where such deprived communities exist. Our government will not shy away from this responsibility, as we know full well that we will be judged by the extent to which we bring change in the lives of our marginalized masses.

Ladies & Gentlemen,

The Western world experienced the single largest act of terrorism five-and-a-half years ago when the events of September 11 took place in the United States. Sadly, our experience in India was much older, when, more than 25 years ago, proxy wars were unleashed upon us in an attempt to alienate sections of our people who had always been deeply committed to India's traditions and its modern nationhood. We have paid a very high price in combating this externally-sponsored terror and upholding our core national values. For most of this period, we struggled alone, as the international community failed to understand the impulses and full implications of what we were combating. The realizations that have dawned today that terrorism is indivisible, that there are no good terrorists, that this scourge affects both its victim as well as its sponsor, are welcome, even though tragic in that they have come at the cost of thousands of innocent lives. To my mind, the only way forward is for the international community to avoid the trap of semantics and declare a policy of zero tolerance to terrorism, anywhere and everywhere.

However, even as we combat terrorism, we firmly reject the theses coming out of some chauvinistic quarters that any particular religion glorifies this crime against humanity. This entire proposition is a non sequitur.

At the same time, we cannot but be deeply troubled by the considerable turmoil that different Islamic countries, especially in the Middle East, are experiencing. It is doubly tragic that proponents of a hard, literalist and exclusivist brand of Islam have intervened vigorously, and often violently, in public discourse to question and attack the Islam of piety, moderation and accommodation, features that have defined this great religion over several centuries.

In times of crisis, it is useful to refresh our memories with a scrutiny of the essential message of our faiths and to draw from them appropriate lessons for our troubled contemporary times. I know this University has nurtured some of the greatest Islamic scholars of modern times who have made a significant contribution to the understanding of this great faith that has been part of India from within a few years of its inception. I do not pretend to have their scholarship but I would like to share with you my understanding of only two from among Islam's numerous essential values.

Firstly, about reason. Throughout his life, Prophet Muhammad spread his message and converted people to Islam through reason and personal example. He did not resort to force, magic or miracle; he valued intellect and stressed the importance of reason. There are numerous verses in the Quran which admonish one to shun coercion and exercise persuasion and patience.

Secondly, about knowledge. The Quran repeatedly points mankind to knowledge: ilm is the second-most used word in the Quran after the name of God. Human beings are told to use their minds in at least 300 places. The acquisition and the imparting of knowledge were highly commended by the Prophet, who said:

"The pursuit of knowledge is a divine commandment for every Muslim..."

That person who will pursue the road of knowledge, God will direct him to the road of Paradise; and verily the angels spread their arms to receive him that seeketh after knowledge; and everything in heaven and earth will ask grace for him. Verily the superiority of a learned man over a worshipper is like that of the full moon over all the stars."

David Lelyveld, in his seminal work on Aligarh's "First Generation", notes that, in Sir Syed's view, *ilm*¹ was "a kind of spiritual electricity communicated by the touch of men who possessed it." Sir Syed himself went on to say: "Ignorance is the mother of poverty."

1. Knowledge

Ladies and gentlemen of the graduating class; I submit to you that if you hold fast to these two principles, reason and knowledge, as the guiding lights of your everyday life, not only will you go far, but you will also render a great national service.

Friends,

I clearly see a dual challenge before us. First, the challenge of ensuring that the fruits of our national achievement are shared in equal measure by all our communities, particularly those excluded and deprived. And second, for India to play a pro-active role in addressing the challenge posed to the international community by those who reject the essential values of Islam and propagate a brand of the religion that has no justification in its history, politics and cultural values.

I had reiterated earlier our Government's unequivocal commitment to achieve, through robust governmental action, the upliftment of the Muslim community. I also believe that India, with its rich history of linkages in other parts of Asia, and its adherence to the values of democracy and secularism, is well-equipped to participate in the global effort that rejects the "clash-of-civilizations" thesis and promotes dialogue, understanding and cooperation among different role-players in the international arena.

You will all agree with me that facing these twin challenges is not the responsibility of the Government alone; all of us are participants and all of us are role players in it. The extent of India's influence and authority in the global arena will emerge from the strength of our commitment to the core values of democracy and secularism and our success in addressing the needs of the most deprived among us. Much of the discussion in India regarding secularism ultimately ends up with becoming a discussion about the nature of the secular state. However, much more important than a secular state is a secular citizen, the secular temperament of an individual. As long ago as 1948, Pandit Nehru raised this issue with the students of Aligarh Muslim University in his Convocation Address, when he stood at this podium and said:

"You are Muslim and I am Hindu. We may adhere to different religious beliefs or to none; but that does not take away from the cultural inheritance that is yours as much as mine. Do you believe in a national state which includes people of all religions and is essentially secular...or do you believe in a religious, theocratic conception of a state which regards *people of other faiths as beyond the pale?*"

The importance of the secular temperament is the weapon that citizens in democratic, multi-cultural societies have to use against attempts by motivated parties to convert religious or ethnic communities into political communities or vote banks; such politicization in time leads to the general communalization of religious or ethnic communities.

How are we to develop this secular temperament, this spirit of tolerance, goodwill and understanding? Indian tradition, suffused with lessons from Islamic tradition, provides clear answers to this. Humanism and scientific knowledge are the natural legacy of mankind; they are not the exclusive preserve of the West. Just as in the past, the Dark Ages led to the Age of Reason and Enlightenment in Europe (substantially due to the influence of Islamic science, technology and culture), we Indians too, with a modern, forward-looking spirit, can transform our lives and bridge the knowledge-gap between us and other advanced societies.

The Indian, strengthened by his enduring commitment to the nation's democratic and secular order, is now poised to respond to Iqbal's call:

*Khudi ko kar buland itna,
ke har taqdeer se pehley,
Khuda bande se khud poochhe:
bata teri raza kya hai?*

[Raise yourself to such heights,
oh man, that before writing your fate,
the Almighty Himself asks his Creature:
tell me What is your destiny?]

In the next few decades, the "*taqdeer*", the destiny, of India is to emerge as a knowledge super power. Indeed, the growth of India as a knowledge economy is a vindication of Sir Syed's dream, which led him to create this great institution. He had presciently observed that it is the categorical verdict of all the nations and great seers of the world that national progress depends on education and training (of the people). Partnership in the knowledge economy is something that offers prospects of a most potent partnership in the 21st century. Through support to the huge knowledge and research base in laboratories and universities in India, we can bring 'together capital and science and technology with innovation to create intellectual property and launch new economic ventures. This is another area where the role of Universities like Aligarh becomes crucial.

The last decade has witnessed accelerated Indian economic growth and

the speed continues to increase. India is slated to be the third largest economy in the world with great strength in the knowledge economy based on human resources. It will be on the basis of the strength of young people, like the many I see before me today, that India is poised to take great strides forward. It is to be the work of those of you who are graduating today to take the country on its way to greater heights.

Ladies and gentlemen,

Having been invited here in my capacity as the External Affairs Minister of India, I cannot conclude without a few words about my current charge.

India's Foreign Policy is a product of its history, geopolitical setting and the needs and aspirations of its people as distilled by its democratic institutions. This policy is inspired by the vision of our founding fathers, in particular Pandit Nehru, and is nourished by a tradition of continuity and consensus. It has also to reflect our national ethos of secularism and democracy. It has to take this message to our friends in the region and beyond. This is what we have been doing. As India grows, its message of peace and hope will echo more forcefully through the world. It is a message of harmony, peaceful coexistence, economic prosperity and abhorrence of violence. I see Indian foreign policy playing a greater role in our economic renaissance. The primary task of Indian foreign policy has to be the facilitation of India's developmental processes, so that the fruits of our success reach all our people. Towards this end, we need to leverage our international partnerships. Our focus in the coming decade should be on promoting trade and investment flows, in assisting the modernization of our infrastructure, in assuring predictable and affordable energy supplies and in securing the widest possible access to technologies.

The other major goal for Indian foreign policy is to create a new paradigm for our neighbourhood. The strength and growth of our region and its prosperity is a necessary pre-requisite for India's own rise as a major power. As the largest country in South Asia with land and sea borders with all its neighbours in the South Asian Association for Regional Cooperation (SAARC), India has to assume greater responsibility for the region's challenges. Our foreign policy has to pay particular attention to each and every one of our bilateral relationships in the neighbourhood, from Myanmar to Afghanistan, and create a mutually beneficial framework. I would like to reaffirm that India's neighbours can and should share in our drive for prosperity. A modernization of the infrastructure in the Indian sub-continent will promote freer flows of goods and services that can transform the entire

region. In more ways than simply economic, the future of the Indian sub-continent depends on whether this open mindedness prevails over the more traditional mindsets. On its part, India has indicated its willingness to cooperate with all its neighbours and to work with them for a better future.

In this endeavour, India looks to its sons and daughters all over the country, and that includes those present here today, to give a collective voice to our aspirations for peace and development, unity in diversity and of a nation on the move to take its rightful place in the world. In this, the institutions of our democracy and our educational institutions, such as the Aligarh Muslim University, are playing a critical role. I have no doubt that they will continue to do so in the future as well. I wish all success to the University and its students in their endeavour towards the noble cause of the development of the nation.

With these words, I would like to thank you again for doing me the honour of inviting me to address you today.

May the Almighty's blessings be with you always!

Thank you.



015. Inaugural Address by External Affairs Minister Pranab Mukherjee at International Seminar: "Saving Doha and Delivering on Development".

New Delhi, March 12, 2007.

Mr. Pascal Lamy, Director General, WTO;

Shri Kamal Nathji, Commerce and Industry Minister of India;

Mr. Kenneth Valley, Minister of Trade and Industry, Trinidad and Tobago;

Mr. Ted Menzies, Parliamentary Secretary for International Trade, Canada;

Distinguished participants from governments, trade industry, academia &NGOs;

Members of the media, Excellencies,

Ladies and gentlemen.

A very good morning and a warm welcome to all of you. It gives me great pleasure to inaugurate this International Seminar on 'Saving Doha and Delivering on Development'. I am extremely happy to learn that leaders from different walks of life including political, academic, professional and civil society are here to participate in this Seminar to deliberate and evolve possible ways and means of moving forward to reach a meaningful conclusion of the Doha Round. There is a saying that 'you can not cross a crevice by several small jumps; you can do it only by one long jump'. The gap between the developed countries and the rest of the world needs one such long jump. When 'Development' was scripted as the central theme of the Doha Round way back in 2000, unarguably a long jump was foreseen. That is why the Doha Round is the 'Development Round' and not a 'Market Access Round'. But then some of the members i.e. particularly, the developed members faltered, making some of us skeptical and many others cynical of the Round's delivering on its promises. We have crossed the original deadline. So, there is an additional responsibility for all of us to save the Round.

Since there were considerable divergences in the positions of WTO members, the negotiations were suspended in July, 2006. The WTO members effectively had a "time-out" to seriously reflect upon the situation,

examine available options and review their positions. Though negotiations have recently resumed in earnest, there are still many uncertainties surrounding the possibility and nature of the outcome.

India remains fully committed to the multilateral trading system, and to the successful and early completion of the negotiations under the Doha Work Programme, based on the fulfillment of the mandate agreed at Doha, the July 2004 Framework Agreement and the Hong Kong Ministerial Declaration. Development is not a question of choice at this stage. It is what was agreed at Doha and that is what we need to deliver.

We have said it earlier and I say it now that the developed countries have to recognize that the development dimension is at the core of the Doha Development Agenda. India looks forward to the developed countries taking a leadership role in moving the Doha process forward by correcting distortions in the global trading system, especially in agriculture, which would meet the aspirations of a large number of developing countries, specially LDCs.

Agriculture remains critical to our collective interest. It is imperative that the trade-distorting subsidies and protection provided by a few developed countries are eliminated as soon as possible so that a truly level playing field can be established. Export subsidies of all forms must be eliminated by a certain date and domestic support substantially reduced under the Doha Round, in order to provide market access opportunities to all.

Agriculture supports and provides livelihood to the bulk of the farming community in the developing world. The viability and dynamism of their agriculture sector remains essential to secure success in their poverty alleviation strategies. It has been acknowledged worldwide that budget-based supports of individual countries as well as aid from others cannot deliver on the targets we have set for ourselves under the Millennium Development Goals.

The bulk of the rural poor in countries like India are vulnerable to external developments. Accordingly, proposals designed to impose a disproportionately higher burden on developing countries are not constructive, and have the potential to disrupt their very social and economic fabric. Such proposals will not be acceptable. Tariffs remain the only instrument of border protection and for safeguarding food and livelihood security and rural development. Appropriate policy space must be intrinsic to any agreement through instruments such as appropriate tariff reduction formula, Special Products and Special Safeguard Mechanism.

For developing countries, the manufacturing sector contributes substantially to GDP and employment opportunities; hence, it is crucial for delivering on the development mandate of the Doha Round. While an ambitious outcome of NAMA negotiations is desirable, we need to give due consideration to the developing countries through adequate flexibility to protect their nascent industries and the vulnerable sections of their economy. Whatever may be the final coefficients in the Swiss formula, it should ensure that the developing countries undertake lower reduction commitments than the developed countries, as is the mandate.

The Services negotiations must also have ambitious outcomes. During the current round of negotiations under GATS, many developing countries including India have autonomously liberalized their service sectors and have offered to bind this liberalization in their Revised Offers. However, developed countries have to realize that enough flexibility is necessary for developing countries to pursue their development and poverty alleviation objectives.

Developed countries cannot and should not avoid liberal commitments in all Modes, particularly in Modes 1 and 4. Large scale asymmetries exist in these areas from the Uruguay Round and developing cold feet in any of these areas would completely negate the development dimension of the Doha Round.

Pro-development elements are scattered across all areas of negotiations. We must seriously attempt to consolidate the development agenda. The biggest handicap is that we have not been able to develop benchmarks to facilitate a developmental audit of the progress of negotiations. We need to ensure that the development dimension stays in clear focus.

To conclude Excellencies, ladies & gentlemen, we all are grappling with a difficult task but I am sure, and all of you will agree with me, that it is not impossible. It requires enough political sagacity and courage on the part of the developed countries to untangle the deadlock. The two days of deliberations would certainly bring out productive and creative solutions from everybody present here and these would hopefully form the basis for moving ahead for a successful conclusion of the Doha Round. I wish you all the very best for a fruitful outcome of the seminar.

Thank you, ladies and gentlemen.



016. Speech by External Affairs Minister Pranab Mukherjee at the 42nd Professional Course for Foreign Diplomats conducted by the Foreign Service Institute.

New Delhi, March 14, 2007.

I am delighted to be here at the Valedictory Dinner of the Foreign Service Institute. I would like to take the opportunity to greet the newest members of the Institute, the IFS Probationers of the 2006 batch who have recently joined, as well as the IFS Probationers of the 2005 batch, who have finished their training at the Institute and are currently doing their attachment with various Divisions of the Ministry. This evening, I am also particularly glad to be among those young diplomats from friendly countries who have been attending the Professional Course for Foreign Diplomats conducted by the FSI during the last six weeks. Being in training can sometimes feel like being back at school, with all its regimentation. Nevertheless, I hope our guests from overseas have found the Professional Course productive and useful in equipping them to better handle the external relations of their respective Countries. I also trust that their stay in India, though short, was enjoyable.

Representing one's country overseas is a great honour, as the distinguished representatives of the diplomatic corps here will testify, it is an honour that some of the trainees here may have already had and that others are about to have bestowed upon them. The senior diplomats gathered here would also be familiar with how Sir Ernest Satow, the author of probably the most used guide to diplomatic practice defined the task of diplomats. He noted more than a century ago that tact to the conduct of official relations between the governments of independent states".

Those of you about to embark on a diplomatic career would do well to carefully parse that simple statement, because in today's world, diplomacy may not be the business of diplomats alone, In a world marked by intense economics and commercial linkages, a phenomenon that has come to be known as globalization, diplomacy is also the business of large global businesses. There are today transnational corporations whose annual turnover exceeds the GNP of a fair number of countries. These corporations are increasingly having an impact on international diplomacy in fields ranging from trade and tariffs to development and climate change. Some years ago the traditional diplomat would have looked askance at the presence of business delegations, social scientists or economists at diplomatic gatherings. Today, you will have to account for the presence of all these actors jostling for the same space in which you are going to be doing your

work.. Finding a cooperative model through which to achieve national and international welfare will therefore be an additional challenge for all of you as you get down to the business of diplomacy.

The other major change in diplomacy from the era that Satow described is in the arena of technology. While the advance in technology may have rendered aspects of the job easier, they have also created attendant difficulties. As the distinguished ambassadors gathered here tonight will tell you, there are not many among them who have not been awoken in the middle of the night with a telephone call from headquarters and with their parent foreign office insisting on a report on the breaking news of the moment- first thing in the morning. Of course, getting the report out is probably the easier part. More difficult is to have to forego that morning's game of golf!!!

But on a more serious note, the media explosion and the 24 hour news cycle mean the tomorrow's diplomats need to be equally adept at handling information as well as information overload. Today, everyone has access to unfolding news in real time. With some exceptions getting information is not the problem; making sense of what you get, which is sometimes too much, is more at issue. Especially when serving overseas, you are expected to provide that additional insight that can make all the difference to policy formulation. I urge the trainees here tonight to focus especially on this aspect.

I also hope that this course that has just concluded has been of some help in not only sharpening your skills, but also in familiarizing you with India's strategic perspectives and priorities. This is a country moulded by its civilizational memory, a sense of geography, a composite culture and, naturally, geopolitical realities.

Through the centuries, Indian society has been an open system, receiving and assimilating major influences from outside its geographical boundaries, like Islam and Christianity, while disseminating its composite cultural influences outward and building abiding links with societies from the Middle-East to South East Asia. In this outward dissemination, however, we have sought to export our own ideologies. Many of our traditional links were disturbed by colonialism and Partition and their restoration was then delayed by the onset of the Cold War. In recent years however, driven by an impressive economic performance, India has at once managed to revive its traditional linkages as well as build completely new ones all over the world. Our future success, however, depends on our being able to secure a regional and global environment that protects our national security and also enables us to integrate with the global economy. Let me quickly outline to you a few of our priorities in this endeavour.

Our foremost priority is countering terrorism. While terrorism is perpetrated by non state actors in most parts of the world, in India, militants and terrorists are also sponsored and aided by agencies from across India's borders.

Secondly, India finds itself in an arc where more than one actor has been involved in proliferation of weapons of mass destruction. This has assumed particularly dangerous proportions, given the possibility of linkages such proliferation and terrorism.

Thirdly, the periodic instability in the political fabric of states in India's neighbourhood is a source of great anxiety. As an advocate of greater regional integration and connectivity, India has stakes in the political and economic well being of its neighbours and seeks their cooperation to build and area of shared prosperity in South Asia.

Fourthly, the high growth trajectory of our economy will inevitably produce a matching curve for energy demand. In this context, energy security and the security of sea lanes of communication, on which India's trade is dependent, assume great significance.

In order to meet these multiple challenges, India has sought on focus on ensuring stability and peace in its neighbourhood, developing friendly and mutually beneficial ties in its extended neighbourhood like west, Central and Southeast Asia, and establishing strategic partnerships with all the major actors in the world, particularly the United States, European Union, Russia, china and Japan. At the same time we are developing ties of great vitality and mutual benefit with many countries in Africa and Latin America.

Ladies and Gentlemen,

I would like to congratulation the foreign participant in this training course on their successful completion of the course. Again, I hope they found the programme useful. This programme is one small way for us to express our commitment to technical and developmental cooperation with friendly to technical and developmental cooperation with friendly countries. I wish the participants success in all their endeavors. I also take this opportunity to convey through you our greetings and good wishes to your respective countries and people.

Thank You.



017. Keynote Address by Prime Minister Dr. Manmohan Singh at the *India Today* Conclave.

New Delhi, March 23, 2007.

I am delighted to be once again at this annual conclave. However, I truly wish that I was here to listen, rather than speak. You have gathered an impressive group of speakers, and I would have liked to hear them all.

I am happy that this dialogue began this morning with the opening remarks of His Excellency, the former President of Iran, Mohammad Khatami. I have the highest regard for his wisdom, his scholarship and his statesmanship. He is a great citizen of the world, a great leader of the Iranian people and a great friend of India. It is pertinent that at a conclave like this we recall his wise words at the U.N. Conference on Dialogue Among Civilisations in September 2000. It was a dialogue that he had initiated. I recall his saying that:

"The ultimate goal of dialogue among civilizations is not dialogue in itself, but attaining empathy and compassion."

I believe the ultimate goal of conferences like these should also not be that they are an end in themselves, or merely commercial events, but they help open up our hearts and minds and make us more understanding and compassionate. President Khatami concluded his address to the U.N. with these wise words, and I once again quote it:

"In the domains of economics, politics and culture, problems and issues rarely remain local and indigenous. We all deeply engage in making use of each other's social, cultural and spiritual findings. The penetration of eastern religions to the West, repercussions of Western political, cultural and economic developments in the East, and, most significantly, the expansion of global electronic communication have all rendered dialogue among civilizations a reality close to home.

I fully endorse these sentiments. Today they have acquired renewed relevance in international affairs. We in India appreciate them more than any other people. Such a dialogue among civilizations has been the living reality for more than a millennium in this ancient and sacred land of ours. India is home to all the great religions of the world. India is home to scores of languages, hundreds of dialects, dozens of cuisines, a medley of races, colours, landscapes and cultures. The idea of India, as we all know, was

shaped by this notion of "unity in diversity". That is why I have often said that the success of the Indian experiment is vital to the survival of mankind.

My friend Aroon Purie has asked me to reflect today on the theme "Challenges for the Brave New World: Can India Take the Lead?" I believe India is one of the frontrunners in showing the world the way forward in dealing with one of the biggest challenges facing mankind in the modern world. This is the challenge of preventing the so-called "clash of civilizations" and enabling not just a "dialogue" between civilizations but creating a "confluence of civilizations".

India is a confluence of civilizations. In building an open and pluralistic society within the framework of a liberal and secular democracy we have shown the world a way to deal with the complex heterogeneity of modern societies. Every nation must endeavour to be an open society in which the plurality of the human experience can find full and free expression. I am not talking of majorities tolerating minorities. I am talking of all groups, big and small, living together in harmony.

In seeking to build a democratic society, the leaders of our freedom movement grappled with the challenge of a brave new world they were forced to confront. As I have often said, ours is an ancient civilization, but we are a young nation. The survival, growth and vibrancy of our nation has vindicated the faith of our founders in the democratic values of pluralism, liberalism and secularism. It has enabled us to show many embattled corners of the world a practical way forward in enabling the 'confluence of civilisations'.

If India has a message for the world, it is this. Mankind must shun all extremes and all forms of extremism. We must reject all ideologies of exclusion for nature's way has been to be inclusive. Nature had of course willed the survival of the fittest, but human societies have come to accept the idea of live and let live. Our conception of an inclusive society is based on this principle.

This is our message for the world, but it is also a message we must constantly remind ourselves of. When I see intolerance, when I see hatred and mutual suspicion, when I see an unwillingness to engage in constructive dialogue and debate, I wonder if we ourselves have forgotten the very principles on which our nation was conceived?

This conference wants us to focus on the challenge of dealing with a "brave new world". Every generation would like to believe that it is entering a "brave

new world"! That spirit is natural and welcome. It inspires each generation to seek new horizons and find new answers to problems old and new. Many, however, will rest content reinventing the wheel and pouring old wine into new bottles. But some will strike out and find new paths.

A society that encourages creativity, enterprise, innovation, and risk taking will be a vibrant society. Such a society will be capable of dealing with the challenges of a brave new world. I believe we must do all that is possible to allow the full expression of such human creativity and ingenuity. This we can do best within the framework of an open society. But such a society will have to be a literate and educated society. It will have to be a healthy and caring society. A knowledge-empowered society. A free and egalitarian society functioning within the parameters of the rule of law and civilized conduct and discourse. Above all, it will have to be an inclusive society. It has been our endeavour to make ours such a society.

But, there are no shortcuts in history. The management of human affairs requires patience and effort, not just vision and leadership. Humanity has often been led astray by those who claimed a unique vision and offered bold leadership. We live in a highly inter-dependent and complex world where dialogue and patient consultation is required to deal with the challenges we face. To appreciate this and participate in an honest and constructive dialogue is the most effective way to deal with the challenges we face today.

I have often said, both in the context of domestic politics and international conflict, that there is no issue that cannot be resolved through dialogue and discussion. The approach of seeking an eye for an eye, as Gandhiji taught us, can only leave us all blind. Violence and force have never offered lasting solutions to human problems. This consultative and consensual approach is what has kept our diverse nation together.

My friend Amartya Sen has written about the "argumentative Indian", but our real strength has always been our willingness to live and let live. It is not our argumentative nature that we must celebrate, but our assimilative nature, our consensual nature, our accommodative nature. That is what has contributed to the richness of our composite culture and durability of our civilization. This is why I also believe that India can bring to the global high table, to institutions like the U.N. and its Security Council. It can bring a new approach to dealing with global challenges, whether these be challenges of environment, energy security, food security or empowerment of the underprivileged sections of society.

Much is often made of our attitude to globalisation. The organizers of this conclave have asked me to reflect on how India views the world and the processes of globalisation. Let me say that I sincerely believe that we Indians have always been open to global influences and that ours will always be an open society. Even in the economic sphere, we are today as open as any free market democracy in the world.

The numbers of course are there to tell the story. The share of foreign trade in our national income is comparable to that of many developed market economies. But our openness is not just about these numbers. Our openness is defined by our attitudes and by our confidence in ourselves. Our media is free and open. Our popular culture has always been welcoming of outside influences. Yet, we have stood securely on our feet. As Mahatma Gandhi used to say, we have our doors and windows open to the free flow of ideas, yet we have confidence in ourselves that we will not be overwhelmed by any of them. I want more of our citizens to appreciate this reality. I am often surprised by the insular outlook of some of our political and intellectual leaders. Their narrow-mindedness betrays a lack of self-confidence in our nation. It is an attitude I do not associate with being Indian.

We must make better use of the opportunities the world offers us. We must be more open to our own neighbourhood. In a fortnight's time we will be hosting the SAARC Summit. I want India to be more open to all our neighbours. I want our neighbours to feel secure and confident that in India they have a well-wisher. We see their prosperity as a guarantee of our own prosperity. We see their progress as reinforcing our own progress. And so must they. The destiny of the people of South Asia is interlinked and inter-dependent. Our region must and can move forward through such a cooperative engagement.

I see a similar mutually beneficial inter-dependence between India and the wider neighbourhood of the Indian Ocean and the Asia-Pacific regions. For centuries our forefathers sailed westwards and eastwards - as teachers, as traders, as merchants and as monks. That is how we should once again approach the world at large.

We must rekindle this interest in the world outside and be willing to deal with the opportunities and challenges it presents. I do believe, however, that to be able to do so with greater confidence we must invest much more in our own capabilities. This is the real challenge before us. We need a new revolution in education. Our educational system has to be

modernized, made more accessible, made more relevant to our needs and aspirations. It must equip us better to deal with an ever-changing world. Science and Technology today have made it possible as never before in human history that chronic poverty, ignorance and disease do not have to be the inevitable lot of the majority of the human kind. We must therefore harness the full potential offered by the development of modern science and technology. We must be able to draw on the intellectual resources of the world and also refurbish our own resources. We need world class academic and research institutions and infrastructure. We need a more competitive industry and a more dynamic agricultural economy. Our energies must be focused on these priorities at home. We must get our act together so that we can make the best use of the opportunities presenting themselves before us.

I said earlier that every generation believes it is entering a "brave new world". Yet, one often finds that the challenges we face are after all not so new. Others have faced them and dealt with them. There is much we can learn from them. Be it in education or health care, be it in building roads or better sanitation, be it in water management or conserving energy, be it in manufacturing or agriculture - there is much we can learn from those who have been here before.

At the same time, there are challenges which are truly new. The challenge of addressing the ever-increasing consumption needs of billions of people. If all the developing countries of the world were to aim for a standard of living which is presently seen in the more developed countries, we need to reflect what the environmental consequences would be. Is our planet capable of sustaining a high consumption lifestyle for all its inhabitants? After all, all nations face a single environment and hence, the ill-effects of unbridled growth would affect all nations equally. This is certainly a new challenge for which there are no ready-made answers. As a large nation, India can certainly take a lead in showing the way to the world.

If we need to learn from each other and tread into unknown territory, we need an open mind. I am troubled when I hear people say that India is an open society with a closed mind. That is not the India I have spoken to you about so far. The India I know and I cherish has been open to ideas from across the world. The India I know values knowledge and creativity. The India I know respects learning and scholarship. If we can approach the world and our future with that kind of self-confidence, we can regain the glory of our wondrous past.

I hope your conclave and other such gatherings, encourage us to be more open minded, more willing to learn, more creative, more enterprising and more courageous. In that lies the road to a brighter future for our children and for our grand children.

Thank you.



018. Remarks by External Affairs Minister Pranab Mukherjee at the Annual Dinner of the Association of Indian Diplomats.

New Delhi, March 28, 2007.

Mr. President, Ladies and Gentlemen,

Dinner-time speaking is a hazardous venture at the best of times. My task this evening is rendered relatively easier only because I know that my audience tonight comprises fellow practitioners of this art and will, therefore, appreciate my predicament! But let me say, first of all, how pleased I am to be here this evening, among so many familiar faces, so many old friends. When one is in such a gathering, there is the unmistakable comfort and warmth of being amongst close members of a family. And when all is said and done, when the long debates about international diplomatic matters are settled, it is this spirit that remains important and gives the strength that can sustain an association like this one.

One of the clearest manifestations of this strength is the role that this Association has already been playing in ensuring continuity in foreign policy thought and practice, from the past to the present, and on to the future. The multidimensional activities of so many of the association's members - be they in the form of writings, participation in media debates, seminars and so on - have added a certain gravitas to the public debate on foreign policy matters. The value of this contribution is immense.

I do not need to detail to this gathering in what manner India's engagement with the world is different today than it was six decades ago when we gained independence. Many of you were personally involved on a day-to-day basis in the expression of India's traditional role as a leader of the developing world, as a champion of nonalignment and in the erstwhile struggle for

decolonization, freedom and equality. Many of you were also involved in the transformation that was required to give our role a contemporary hue and to add the economic and strategic muscle that has marked the coming of age of India. The confidence and enthusiasm that is so evident in our international engagement today is based not on any abstruse concept, but on real achievements. The sustained high levels of economic growth, the phenomenal achievements of our industry, particularly the knowledge industry and the strategic leaps in the nuclear and space fields are only some of the major reasons. They have been accompanied by a determined effort to improve relations with all the major powers simultaneously. We have moved quickly to try and achieve a peaceful extended neighbourhood with which we can engage intensively for the benefit of the people of the entire region. And we have also reached out to give depth to our relations with regions as far flung as Latin America, Africa and East Asia.

It is axiomatic that the challenges that India's foreign office faces today are different from those that we faced in the past, and the challenges of tomorrow will be different still. India's envoys abroad today represent a different India. It is an India that may not have yet solved all its problems, but is still resurgent and confident. It is an India that is no longer satisfied with being a spectator in any arena. It is an India willing to be heard with a voice that can make a difference to any outcome. And, as home to one sixth of the world's population, it is an India that has not only a vital stake in the future of the world - whether we view this future in political, economic or even environmental or energy terms - but also the wherewithal to play a decisive role in shaping this future.

This transformation of India's stature and role in the international system also imposes the corresponding necessity to transform our diplomacy, and indeed its most vital ingredient, our diplomats. India's envoys today represent a country which is perhaps *sui generis* in the manner in which its democratic institutions have handled a billion strong population of different faiths, ethnicities and languages. We are headed to become the third largest economy in the world and are fast becoming as attractive an investment destination as we have been a tourist destination. In terms of perception, too, India's image indicators are changing to that of a country that is both demographically young as well as the spearhead of the knowledge and IT revolutions. These are the images - and not the tiger, the maharaja, the rope trick or begging bowl images - that our envoys will meet abroad, images that they have to sustain and promote. India's diplomats therefore have to bring a multidimensional skill-set to the table. They must not only be astute

thinkers and negotiators but also hard-headed managers and savvy communicators. They should be equally at home dealing not only with politicians and other diplomats, but also with economists, CEOs and television journalists.

But as the next generation of diplomats develops new skills and new ways of thinking and working, ways dictated both by evolving objectives as well as a fast changing technological work environment, it is important that they be fully steeped in the traditions of our foreign policy. The contemporary cutting edge will derive strength only from the idealistic framework. Historical linkages are the keystones of bilateral relations between countries. Institutional and personal networks are critical channels of diplomatic discourse. That is where the Association of Indian Diplomats can continue to play the crucial role it has been already playing in not only utilizing the past but also shaping the future dimensions of our foreign policy. A close and continuous interaction between the Association and the foreign office is in my view mandatory and must be encouraged in any manner that we can. I would look forward to receiving from the Association ideas on how this interaction can be structured so that today's diplomats can make the best use of the institutional wealth that the collective experience of those present here tonight represents.

With these words, I would like to wish all members of the Association good health and productive work. I thank you for inviting me here tonight and giving me a patient hearing.

Thank You.



019. Speech by Foreign Secretary Shivshankar Menon at the Observer Research Foundation on "The Challenges Ahead for India's Foreign Policy".

New Delhi, April 10, 2007.

Prof. S. D. Muni,

Ladies & Gentlemen,

Thank you for asking me to speak to such a distinguished gathering of thinkers and opinion-makers this morning. The topic that was suggested, "The Challenges Ahead for India's Foreign Policy", lends itself to several and varied interpretations. Which challenges we choose depend upon what matters to us, i.e. our priorities. The primary task of our foreign policy is to ensure an external environment that is conducive to India's transformation and development. To oversimplify, what are the issues and what kind of foreign policy would enable us to eradicate poverty, grow at 8-10% and transform India into a moderately well off state where our people can realize their potential?

Looked at in this light, broadly speaking there would be three sets of challenges: Firstly, ensuring a peaceful periphery; secondly, relations with the major powers; and, thirdly, issues of the future namely food security, water, energy and environment.

I

The first area of focus for our foreign policy is naturally our neighbourhood, for unless we have a peaceful and prosperous periphery we will not be able to focus on our primary tasks of socio-economic development. We must, therefore, accord the highest priority to closer political, economic and cultural ties with our neighbours and are committed to building strong and enduring partnerships with all our neighbours.

When we look around us today, each of our neighbors is going through accelerated internal political transformations. Bhutan is consciously introducing a form of constitutional monarchy and democracy. Recognizing changed realities, in February this year we signed a new India-Bhutan Friendship treaty to replace the earlier one of 1949. Both sides ratified the treaty in March. The new treaty updates the legal basis of our bilateral relations and reflects contemporary reality. Nepal is undergoing a remarkable double transition: bringing into being a new democratic order while mainstreaming

the Maoists. The transition, though delicately balanced, is on course, as evidenced in last week's formation of the interim government. While the basic decisions on the direction and nature of change lie with the Nepalese people, we have given our full support to Nepal in this process and remain committed to its success. In Bangladesh too the new interim government is taking steps towards transforming the political landscape. As a friend and neighbour, India is interested in a democratic, stable and prosperous Bangladesh. While our relations with Sri Lanka continue to develop steadily, we remain concerned about continuing ethnic conflict.

It is necessary to find a negotiated political settlement to the ethnic issue within the framework of a united Sri Lanka that is acceptable to all sections of Sri Lankan society. With Pakistan, the dialogue process continues to change the relationship. The composite dialogue, the Joint Commission and the Joint Anti-terrorism Mechanism have provided a structured framework within which major issues are discussed. For us, terrorism remains a particular concern. Infiltration continues from across the border. We have stressed to Pakistan that the success of the dialogue process is predicated on Pakistan fulfilling its commitment not to permit any territory under its control to be used to support terrorism in any manner.

The challenge for us in our neighbourhood is to build inter-dependencies which not only integrate economies but also create vested interests in each other's stability and prosperity in the subcontinent. Interestingly, today India is not the issue in any of our neighbors' political transitions; rather, the countries of the neighbourhood look to the Indian market and economy as positive factors for their own economic growth. The smooth and productive course of the 14th SAARC Summit in Delhi, free of disputes or posturing, is a reflection of changing circumstances. The hope must be that as our engagement with each of neighbours increases, the value of our bilateral linkages will outweigh the attractions of sterile confrontation.

We will continue to work with each of our neighbours, through the innovative use of development partnerships, our economic and technological capabilities, the development of cross border infrastructure projects as well as our civilisational linkages, to achieve the goal of a peaceful periphery. In this process we are ready to provide benefits to our neighbours without necessarily insisting on reciprocity. Hence PM's announcement of unilateral zero-duty access to goods from LDCs in the region by the end of the year, and the reduction of tariff lines for such countries.

In addition to our bilateral relationships, we see the SAARC process as

contributing to our goal of building a peaceful and prosperous periphery. At the recently concluded 14th SAARC Summit in New Delhi, all the SAARC members including newly-admitted Afghanistan agreed to a vision of a South Asian community where there was a smooth flow of goods, services, peoples, technologies, knowledge, capital, culture and ideas in the region. As you know, South Asia remains one of the least integrated regions in the world. Intra-regional trade is less than 5 % of total regional trade. In addition, cross-border investments and the flow of ideas are at rather low levels. Starting from such a low base, greater integration among South Asian countries could bring huge benefits to the people of the region.

With present high growth rates in the countries of the region, we have an opportunity to advance together through trade, open borders and economic integration, and to bring about shared prosperity between India and her neighbors. Several practical steps were agreed, such as establishing a South Asia University, a SAARC Food Bank and operationalising the SAARC Development Fund. The SAARC Summit also agreed to work together to deal with water (including flood control), environment, energy and food security, involving multilateral organizations where necessary. It will be a challenge for India's diplomacy to translate these agreements into reality. As Chair of SAARC, it will be our endeavour to usher in a new phase of effective regional cooperation, reconnecting the subcontinent to itself and the world. We thereby hope to create a common space of prosperity in South Asia based on enhanced economic, trade and investment linkages and sustainable social and economic development.

II

The second set of challenges is that of managing our relationship with the world's major powers. The world today is increasingly multivalent, marked by considerable political cooperation among major powers whose economies are becoming inextricably intertwined with each other. The current global economy is increasingly defined by freer and substantial movement of capital and by the technology revolution, in particular information technology. While capital is free to roam the world, other factors of production like labor and technology are not, and access to markets remains patchy. As a result of our development, we are on both sides of a range of issues such as IPRs - where we are both a supplier and consumer. We need to therefore use our strengths to create partnerships with major powers in a manner which would allow us political and economic space to grow. This will require us to strengthen relations with all the major powers of the world.

India's relations with the USA have been substantially transformed in the past few years resulting in wide-ranging engagement across many fields including defence and security issues, counterterrorism, science & technology, health, trade, space, energy, agriculture, maritime cooperation and the environment. The July 18, 2005 decision to cooperate in civil nuclear energy is a major symbol of this transformed relationship. We seek to arrive at an early agreement with the US on civil nuclear energy cooperation within the parameters laid out in the 18 July 2005 India-US Joint Statement and the 2 March 2006 Separation Plan. While cooperation in nuclear energy is no doubt a very important step, we should avoid the tendency to view relations with the US only within the narrow confines of civil nuclear cooperation. There are many diverse strands to our cooperation with the US, which are progressing well, and which will impart greater resilience to our relations in the future. Relations with the US are important to us, not just because it is the superpower, but also because of the positive effect it has on our dealings with the rest of the world, and on our access to markets, high technology and resources crucial to our future economic growth and development.

We have developed a strong partnership with the European Union covering a wide range of areas including trade and investment, culture, science & technology. Our traditional relations with Russia continue to remain strong as evidenced in the recent visit of Russia's President Vladimir Putin as the Chief Guest at our Republic Day this year. Agreements reached during the visit will significantly expand our cooperation in the fields of energy, high technology, defence and space. The strategic partnership between India and Russia is poised to deepen even further. India's relations with Japan have also developed considerably with several exchanges of high level visits. There has been a qualitative shift in India-Japan relations following our Prime Minister's visit to Japan in December 2006 and the visit of the External Affairs Minister to Japan in March 2007 and we have agreed impart a strategic and global perspective to our partnership. The visit of Chinese President Hu Jintao to India in November 2006 strengthened the process of sustained comprehensive development of India-China relations. There have been some concerns expressed about the 'peaceful rise' of China. However, as PM has said, it is our belief that there is enough space for both of us to grow. We remain hopeful about steady progress in our relations with China, and at the same time will continue to work towards a resolution of the boundary question.

As we look forward to an increasing role in global affairs we need to expand

our network of international relationships, political engagement and economic and technical cooperation with the world. We are looking today at expanding circles of engagement, starting with the immediate neighbourhood, West Asia, Central Asia, South-east Asia and the Indian Ocean region.

This is reflected in our political, economic and defence engagement with these regions. Our Look East policy and the consequent intensified engagement with East and South-east Asia has led to the rebuilding of India's historically benign and stabilizing role in these regions premised on the commerce of ideas and goods. Indian companies have long had a presence in South-east Asia. Now they are venturing farther and investing in China, Japan and Australia. ASEAN and its member states are important markets for our goods and services while South Korea and Japan are important sources of investment and technology. We need to strengthen political, physical and economic connectivity between India and East Asia and broaden the underpinnings of our quest for peace and prosperity. We are also adding important elements to our traditional ties with countries of the Persian Gulf region by leveraging economic opportunities.

If our politics can create an enabling environment, the focus of our economic diplomacy in coming years will be on promoting trade and investment flows especially in critical areas such as infrastructure, in assuring predictable energy supplies and in securing the widest possible access to technologies. We also hope to work towards significantly upgrading our economic relationship with South-east Asia, East Asia, Latin America and Africa, build new investment-driven partnerships with USA and EU, and nurture a web of cooperative energy security networks in Asia and with new suppliers in West Africa, Central Asia and Latin America.

III

Lastly, there is a cluster of issues of the future such as food, water, energy and climate change. These are interlinked issues, and will have critical impact as our ability to address them successfully will greatly shape our future. All these are cross-boundary issues, which require us to work with others to solve them. Some, like water and flood control and energy have solutions in our immediate or extended neighborhood. Hence the Delhi SAARC Summit decision to undertake regional or sub-regional projects in these areas. Others, like the environment and climate change, are global in their nature and impact and need global solutions, and will directly affect our food, water and energy security. Our participation in drawing up those

solutions is essential if the outcomes are to be satisfactory and if our development is not to be affected.

Last year India was a net importer of food after many years. The size of our population, economic growth and prosperity have led to consumption and life-style changes. Assuming a 7-8% GDP growth rate, by 2020 we would require 340 million tonnes of food-grains. This is a challenge both for scientists as well as for the agro-management of our rain-fed and dry-land farming areas. We need a second Green Revolution, harnessing contemporary tools like bio-technology, water conservation and rain harvesting techniques and other steps which are environmental-friendly and economically sustainable. We also need to tap into the resources of developed countries. The India-US Agriculture Knowledge Initiative announced in July 2005, is a step in this direction and aims to address new challenges and facilitate agricultural research, education, and extension.

Food security is not only about food production because in India, 2/3rd of our population is dependent on agriculture for its livelihood. It is in this sense that international trade is a vitally inter-linked component. The impasse in international trade negotiations is disappointing for us. When agriculture was brought into the multilateral trade negotiations, developing countries were given a clear understanding that trade disparities created by agricultural subsidies would be phased out in a definite time frame. Unfortunately, the developed countries, so far, are reluctant to do away with their subsidies that render the playing field quite uneven.

Ensuring adequate water supply both for drinking and for agriculture and industry will also be a critical challenge for the future. While our sub-continent is fortunate to have adequate resources, we have not seen enough collaboration in its use in the past. We must reverse this. As agreed at the SAARC Summit, we will work with our neighbours in this regard.

Our continued economic growth needs increases in the supply of cheap and sustainable sources of energy. Despite our large population and GDP growth averaging over 8% in the last few years, our per capita electricity consumption continues to be as low as 1/6th of the world average. Presently 67% of our electricity comes from burning fossil fuels, and 70% of our oil is imported. To meet our future energy requirements we will build partnerships with other countries who have surplus energy. Additionally we will have to increase the share of non-fossil fuel based energy resources in our energy mix. The India-US civil nuclear energy cooperation is one step in this direction.

This brings me to the issue of climate change and global environmental degradation. We are ready to work with others on the principle of "common but differentiated responsibilities" enshrined in the UN Framework Convention on Climate Change. In our view, this issue cannot be viewed in isolation and must be seen in the context of the developmental needs of developing countries. Today India has a very low per capita level of emissions and has an energy intensity per unit of GDP which matches the best in the developed world. We look at climate change in the context of the promises made by the international community for technology transfer and additional financing since Rio, which have remained unfulfilled. Critical technologies which can have significant impact on de-carbonization, have been out of reach of developing countries because of prohibitive costs and the existing IPR regime. A related concern for us is that trade advantages should not be sought through the instrumentality of environmental treaties. This issue will be in sharp focus at the forthcoming G8 Summit, particularly after the report of the Inter-governmental Panel on Climate Change. Addressing climate change issues in a manner that also meets our concerns will be a major preoccupation for us in the foreseeable future.

I have tried to give you a sense of the challenges that our foreign policy faces and is likely to confront in the immediate future. Some of you might see a great omission in this listing of challenges. What about balance of power issues such as the military balance in our own region and the world, and issues of conventional security? These require a separate speech by themselves to do them justice. Besides they probably receive sufficient public airing. Speaking personally, I believe that there is a good realist or balance of power argument to be made for choosing precisely these issues as our major foreign policy challenges. But sadly the language of strategic discourse in India is not yet developed enough to describe what we empirically know and face as reality around us. We need to develop our own strategic concepts and vocabulary. I am repeatedly struck by the use of concepts, ideas and methods of analysis that come from other situations and interests, (such as deterrence, parity, or reciprocity), and bear little relationship to our unique circumstance. That is something that needs serious examination on its own. It is probably best left to thinkers like you by diplomats like me.

Thank you for the patient hearing.



020. Briefing points by Official Spokesperson on the Parliamentary Consultative Committee meeting.

New Delhi, April 27, 2007.

External Affairs Minister Shri Pranab Mukherjee addressed the Parliamentary Consultative Committee today on India's "Look East" policy (including relations with Japan). In his opening statement, EAM touched upon the following points:

India's focus on a strengthened and multi-faceted relationship with ASEAN is an outcome of the changed global political and economic scenario since the early 1990s and our own march towards economic liberalization.

- ASEAN provides a land bridge for India to connect with the Asia-Pacific. India and ASEAN have a convergence of interest in the security sphere also. The India-ASEAN relationship has steadily progressed since the policy was initiated in 1991 from sectoral dialogue partners to full dialogue partnership. The political level interactions at the Summit level which began in 2002 have been steadily strengthened through multi-faceted diplomatic interaction.
- Other than ASEAN, another significant pillar of our "Look East" policy is BIMSTEC. The Mekong Ganga Cooperation (MGC) is another initiative which brings together India and five ASEAN countries viz. Cambodia, Lao PDR, Myanmar, Thailand and Vietnam.
- India also participated in the second East Asia Summit (EAS) held at Cebu, the Philippines in January last year.
- Relations with Japan witnessed a transformation following the landmark visit of our Prime Minister in December 2006. The two Prime Ministers established an India-Japan Strategic and Global Partnership that provides a vision for charting the future course of bilateral relations. During EAM's visit (March 22-23, 2007), the first high level Strategic Dialogue with the Foreign Minister of Japan was held. Important projects for joint collaboration in the economic field including the Dedicated Freight Corridors Project and Delhi-Mumbai Industrial Corridor Initiative were discussed. Negotiations have also begun on the Comprehensive Economic Partnership Agreement.

EAM also took the opportunity to brief Consultative Committee members on the 14th SAARC Summit held recently in New Delhi.



021. Speech by Foreign Secretary Shivshankar Menon on "India and International Security" at the International Institute of Strategic Studies.

London, May 3, 2007.

Dr. Chipman, Excellencies, Ladies and Gentlemen,

It is a privilege to speak at this institution which has shaped the international discourse on strategic issues so significantly over so many decades. My talk today is on India and international security. I hope to share with you how India perceives the changing international environment and how we assess its impact on our prospects.

2. At independence, it was natural that the primary task of India's foreign and security policies was to enable India to begin the process of economic and social transformation that a poor and backward country required. The immediate objectives were therefore a peaceful environment, strategic space and autonomy, free of entanglement in Cold War conflicts or alliances. Non-alignment, as this policy was called was the ability to judge issues on their merits and their effect on India's interests, or, as our first Prime Minister Nehru used to say, 'enlightened self-interest'.
3. Six decades later, we face a different world. The end of the Cold War, accelerating processes of globalization and the salience of transnational challenges characterize the current global scene. India too has undergone a profound internal change during this period. Economic growth and modernization are transforming our society at an unprecedented pace. The impact of technology is being increasingly felt. Movements of goods, services, capital and people connect us more closely than ever to once distant societies. Our engagement with the global economy is growing rapidly, with trade in goods and services now exceeding US\$ 330 billion. Our needs from the world have changed, as has our capability. And this is reflected in how India perceives its own future, its ties with its

neighbourhood and its approach to the larger international order.

4. Today, it is no longer possible for India to envisage security - internal or international - in traditional terms. A combination of greater inter-dependence, applications of technology and new vulnerabilities have created challenges that could not have been imagined earlier. The threat of terrorism, the prospects of pandemics or the damage of cyber crime are manifestations of problems faced by a more industrialized and integrated world. Allow me to illustrate this by looking at India's neighborhood, at global issues and at the international order.

India's Neighbourhood

5. The first circle of our external security interests is constituted by India's immediate neighbourhood. South Asia has lagged well behind the level of inter-dependence that characterizes many other regions, particularly Europe. From India's perspective, we are acutely conscious that a peaceful periphery is a pre-requisite to sustain our growth and development. The challenge, therefore, is to encourage our neighbours to see the possible gains from a more active engagement. In the last decade, countries like Bhutan or Sri Lanka who have sought to leverage India's growth to their benefit have benefitted greatly. Our hope is that this will embolden our other neighbours. For its part, India is prepared to take a long term view of these relationships and to take unilateral steps to put them on a better footing.
6. The prospects of creating a peaceful periphery are complicated by the reality that each of our neighbours is undergoing its own political and social transformation. A brief survey would give you a feel for the challenges. The Afghanistan-Pakistan border region currently elicits the greatest concern. The regrouping and resurgence of the Taliban in a swathe of territory west of the Indus on both sides of the Durand Line threatens stability well beyond the area itself. The last year has seen the emergence of an area of anarchy under terrorist and extremist control west of the Indus. Each local accommodation with the Taliban has made the war on terrorism more disjointed and segmented. The assumption that there might be "good Taliban" who might be politically accommodated is most dangerous. Al Qaeda and the Taliban are allied with and extend reciprocal support to a host of jihadi groups

operating out of Pakistan. These groups have been responsible for much of the cross border terrorism directed against India. The London and Madrid train bombings also lead to the same networks.

7. This is not to underestimate what Afghanistan has achieved. Over 4 million refugees have returned home, elections have been held freely and fairly, and the economy is enjoying double-digit growth. India is making a long term and heavy investment in Afghanistan for the same reasons as you are. We cannot afford to see the country once again becoming a cockpit and breeding ground for extremist ideologies and terrorism. India has committed US \$750 million to Afghan reconstruction and 3500 Indians are working in Afghanistan. What is essential is to create the security that Afghanistan needs to recover.
8. The security situation in Afghanistan cannot be addressed without Pakistan's active cooperation. It is our belief that the political stability and economic prosperity of Afghanistan is in the interests of both Pakistan and India. We have offered to work together with Pakistan for Afghanistan's recovery. Afghanistan can still re-emerge as what Toynbee called a "roundabout" of history, a region where routes converge and radiate, by hosting energy corridors for oil and gas and transit routes between some of the world's great emerging markets. But this would require all of us in the region to work together.
9. A stable, moderate and prosperous Pakistan at peace with itself and its neighbours is in India's interest. In the last three years, the composite dialogue has greatly improved the atmosphere between India and Pakistan, addressing all issues including Jammu & Kashmir, bilaterally. For the first time in sixty years, over four thousand people have been legally permitted to cross the LOC. Unfortunately, however, despite a Joint Anti-Terrorism Mechanism, more remains to be done by Pakistan to curb cross-border terrorism which continues with seasonal fluctuations. For India, it is crucially important that Pakistan fulfill its commitment not to permit any territory under its control to be used to support terrorism in any manner.
10. Nepal is going through a difficult double transition, building a stable democratic political order while attempting to mainstream the Maoists peacefully. The fundamental decisions on the direction and nature of change lie with the people of Nepal. India has extended its full support to Nepal in ensuring the success of this process, and will

continue to do so. Another transformation is being attempted in Bangladesh. As a neighbour and friend, India wishes for a democratic, stable and prosperous Bangladesh. In Sri Lanka conflict, violence and terrorism continue. The recent intensification of armed conflict, which has led to renewed refugee flows to India, is particularly worrying. As the conflict continues we see the induction of new capabilities. Only dialogue can lead to a sustainable and lasting solution to the conflict acceptable to all sections of Sri Lankan society within the framework of a united Sri Lanka.

11. Despite the risks that I have outlined, taken as a whole, the subcontinent is moving in a positive direction. It is one of the fastest growing regions of the world, and a free trade area has come into existence (with only Pakistan opting out). The recent SAARC Summit in New Delhi showed that the countries of South Asia see an opportunity for benefit in India's growth and have the will to seize it. The risks and dangers are primarily political and from terrorism.
12. China is India's largest neighbour. Her rise represents a new opportunity to remake our relations and settle outstanding issues. There is space enough and opportunity for both countries to grow. The challenge for us both is to translate this understanding into action in a transparent manner taking into account the continuous development of our capabilities.
13. As we move beyond Southern Asia to India's extended neighbourhood of West Asia, Central Asia, South East Asia and the Indian Ocean region, we see other potential challenges and opportunities. West Asia is an important source of India's energy needs, an increasingly significant trade partner and home to nearly 4.5 million people of Indian origin. Yet the potential for conflict and continued instability in West Asia is high. Proliferation in North East Asia and west of India are clearly not in India's security interest.
14. From the broader perspective, we regard our security as lying in a neighborhood of widening concentric circles. It is often said that the logic of geography is unrelenting. Geography gives India a unique position in the geo-politics of the Asian continent, with our footprint reaching well beyond South Asia and our interests straddling across different sub-categories of Asia - be it West Asia, East Asia, South-east Asia or Central Asia. We share one of the longest land borders

in the world with China, Central Asia verges on our northern frontiers, we have land and maritime borders with three South East Asian countries, our Andaman and Nicobar islands are just over one hundred kilometers from Indonesia, and our exclusive economic zone spans the waters from the Persian Gulf to the Straits of Malacca.

15. It is clear that a major realignment of forces is taking place in Asia. Besides the emergence of the Indian and Chinese economies, Japan is playing a greater role in regional stability and security. The key to ensuring long-term stability and security in Asia lies in the collective ability of Asian countries to build mutual economic stakes in each other, and to construct an open regional security architecture, as ARF and other organizations are attempting to do.
16. At the risk of simplifying, I would say that India's security interests in its neighbouring regions are met by a peaceful South Asia, a stable West Asia, a dynamic ASEAN and a developing and stable Central Asia. Significantly our current engagement in security affairs in Asia in expanding circles starting with the immediate neighbourhood parallels our growing economic interaction with the same region from Sri Lanka in South Asia to ASEAN and further East to Japan.

Global Issues

17. Despite some political turbulence around India, the real factors of risk that threaten systemic stability come from larger, global issues like terrorism and proliferation of weapons of mass destruction. (Hence the significance of Pakistan as these issues enter our region from Pakistan.) As the world globalizes, technology ensures that our threats also globalize. Our security planning must therefore increasingly deal with crosscutting or transnational issues: energy security, the environment, non-proliferation of weapons of mass destruction, and, most significantly, terrorism. It seems apparent that no single country can deal with these issues alone and that they require global solutions which involve all the major powers.
18. Some trans-boundary issues have the greatest part of their solutions in our immediate and extended neighborhood. These include food security and water issues. Our effort is to create a web of cooperative partnerships in areas such as water and flood control. There are others such as energy security and climate change which are global in their nature and impact.

19. For instance, let me give you an idea of the challenge that India faces in seeking energy security. The average consumption of electricity per capita each year in India is currently only 550 kWh against a global average of 2430 kWh, a US average of 13070 kWh and a Chinese figure of 1380 kWh. At a projected growth rate of 8% a year through 2031-32, the minimum necessary to eradicate poverty, India needs to increase its primary energy supply by 3 to 4 times, and its electricity generation capacity by 5 to 6 times current levels. By 2031-2, power generation capacity must increase to nearly 800,000 Mwe from the current capacity of 160,000 Mwe. And more than half of this will still have to come from coal. I must add here that even though we have been growing by over 8% there has been effective decoupling of our GDP growth from energy consumption and we have not followed the fuel fuelled growth seen in the OCED.
20. Since earlier this century most hydrocarbon exports from the Gulf region have begun to flow eastwards. The major consumers and major producers of energy are all in Asia. There are fears of a competitive scramble, spiraling prices and plummeting growth. The debate on climate change has acquired starker dimensions in this background. For India clean, convenient and affordable energy is a critical necessity for improving the lives of our people. This would imply massive imports of oil and even coal, which is not as abundant as was believed. Can India afford to follow this path? What are the other options available given that we are short of energy resources like oil, gas and uranium? What does each of these options entail? In our discussions with the UK, EU and US on energy security, we have come to the conclusion that international cooperation in civil nuclear energy can be a significant addition to our own efforts. This is the fundamental premise behind the India-US understanding on civil nuclear energy cooperation. We would need to build other partnerships as well, on technology cooperation in renewable and efficient use of energy, and on cooperative development of energy supply chains with new suppliers in West Africa, Central Asia and Latin America. The EU in particular is a valued partner in our energy dialogue. India is an active participant in the International Thermonuclear Energy Research (ITER) project to develop fusion energy as a future source of clean and cheap energy sponsored by the EU.
21. Linked to energy security is the issue of global warming and climate

change. The international community already has an instrument to deal with the challenge of climate change in the form of the painstakingly negotiated Kyoto Protocol. More than 50% of GHG emissions are currently from OECD countries. India with 17% of the world's population accounts for only 4% of such emissions. And yet the adverse effects of global warming caused by accumulated and continued high emissions by industrial countries will largely be felt by developing countries. These unsustainable patterns of consumption and production must be tackled on an urgent basis. It is imperative that the developed countries in the Kyoto Protocol urgently commit themselves to truly higher levels of GHG reductions as compared to the first commitment period and conclude these negotiations quickly. This will also spur the enlargement of the carbon market and give a fillip to private sector involvement in clean technologies and investment.

22. We all need additional paradigms for tackling climate change comprehensively. These include access to clean technologies by developing countries both through new R&D efforts, including collaborative R&D focusing on the resource endowments of developing countries, and by addressing the IPR issue. The IPR issue has been dealt with some success in the case of HIV/AIDS. A similar effort is required for clean technologies that would balance the rewards for the innovators with the common good of humankind.
23. We have recently begun hearing of linkage between climate change and international peace and security. Developed countries reducing their GHG emissions and energy consumption will considerably reduce such threats through a reduction in the need for privileged access to energy markets. Nothing in the GHG profile of the developing countries even remotely reflects a threat to international peace and security though their taking on GHG mitigation targets will adversely affect their development.
24. To meet the twin challenges of energy security and climate change India and the EU have an Energy Panel which focuses on collaboration in clean coal technologies, nuclear energy, energy efficiency and the petroleum sector. There is also a separate India-EU working group under the Joint Commission dealing with environmental issues.
25. As for the threat from weapons of mass destruction to international

security, we believe that general and complete disarmament including nuclear disarmament must remain on the international agenda. India's status as a Nuclear Weapon State does not diminish its commitment to the objective of a nuclear weapon free world. Aspiring for a non-violent world order, through global, verifiable and non-discriminatory nuclear disarmament continues to be an important plank of our nuclear policy that is characterized by restraint, responsibility, transparency, predictability and a defensive orientation. We maintain our voluntary moratorium on tests, are ready to engage in negotiations in a non-discriminatory Fissile Material Cut-off Treaty, and we enforce strict and comprehensive export controls, which have now been harmonized with those of the Nuclear Suppliers Group and the Missile Technology Control Regime. We have scrupulously not transferred enrichment and reprocessing technologies to countries that do not have them, and have supported international efforts to halt their spread. Recent events have shown that a new global consensus on non-proliferation is required, based on an equal partnership of responsible states. As a responsible nuclear power with impeccable credentials on non-proliferation, we are ready to be a partner against proliferation, working closely to create a new consensus on which to move forward.

26. Many of the challenges I have described - terrorism, peace and stability in our extended neighbourhood, proliferation of WMD, energy security and environment - are integral to our discussions with the major powers, and the European Union. The engagement between India and the EU collectively, as also with its member states, notably France, Germany and the UK, is intensifying on a number of strategic issues. With shared democratic values and as multi-ethnic plural societies, India hopes to be able to draw on the emerging cohesiveness of the European perspective on major strategic issues. India and the European Union are natural partners and factors of stability in the present world order, and the UK is India's natural bridge to the EU.
27. In sum, in our approach to emerging and larger security issues worldwide, as new transnational threats emerge, fueled in part by the informative age and globalization, a new mix of players will be central to achieving our goals. In an environment where most conflicts will be "low intensity" regional affairs, the real challenge will be "winning the peace", and marshalling and deploying soft-power assets will be as important as "hard power" assets. Beyond regional

instabilities and conflicts caused by failed or failing states, the greater problems are associated with the new set of trans-national threats that grow in importance proportionately to the progress of the informative age and globalization trends that fuel them just as they drive economic expansion. Foremost among these is the terrorist threat, from a new generation of technologically empowered, globally mobile non state actors.

The International Order

28. This tour d'horizon from an Indian point of view suggests that we should judge the efficacy or otherwise of the international order by its success in dealing with terrorism, disarmament and non-proliferation, energy security and the environment. Each of these must be successfully addressed if India is to have the peace and security she seeks for her own transformation. Unfortunately, an honest appraisal suggests that the present global order has not done very well when judged by this standard. It is because the old order is not delivering that we are compelled to seek ad hoc solutions like "coalitions of the willing" to contemporary security problems.
29. It seems to us that global security issues will need multilateral solutions that are the result of a broad participatory process. In seeking an enabling global political and economic order, India has consciously sought to strengthen multilateral institutions and mechanisms, particularly the United Nations. More than 90,000 Indian troops and policemen have participated in 43 UN peacekeeping operations.
30. If our international institutions are not dealing successfully with the challenges of today, one reason is the fact that they no longer reflect current or emerging realities of power. The United Nations has a structure which is completely outdated in terms of the emerging global landscape. We are committed to the comprehensive reform of the United Nations, including the Security Council, which should reflect contemporary realities in its composition.
31. To conclude, there is a need to build new international consensus' to deal with non-proliferation and energy security. At the same time, we should make truly effective and comprehensive the existing regimes for climate change and to counter terrorism. India is ready to work to build an enabling global order, based on equity and

reflecting emerging realities. We look to Britain and the EU as partners in the shaping of the new approaches that a changing world requires.



022. Address by External Affairs Minister Pranab Mukherjee at the closing session of the XXX Antarctic Treaty Consultative Meeting.

New Delhi, May 11, 2007.

Chairman, Prof. U.R. Rao, Secretary, Ministry of Earth Sciences Dr. P.S. Goel, Executive Secretary of the Antarctic Treaty Secretariat Mr. Huber, Excellencies, Distinguished Delegates, Ladies and Gentlemen.

I am happy to be here to address you at the concluding session of a very successful and historic 30th Antarctic Treaty Consultative Meeting. Historic in the sense that India has hosted this meeting for the first time coinciding with the 25th year of its joining the Treaty. The two-week long deliberations have resulted in some significant outcomes and decisions. These mutually agreed decisions not only strengthen the Antarctic Treaty in providing good governance to the Antarctic continent, but underline the need of cooperative research and environmental protection.

The Treaty has certainly grown in stature and strength in last 48 years with newer entrants joining its fold. Adoption of the Madrid Protocol on Environment Protection in 1991 was a significant landmark for the Antarctic Treaty. It indicated the concern of Treaty Party nations about the fragile Antarctic ecosystems and their significance at global level. The Protocol is a testimony of farsightedness and a global vision of mentors of the Antarctic Treaty. It has gained further importance at a time when we are passing through one of the most critical phase of global environmental scenario, especially after the report of the UN's fourth Intergovernmental Panel on Climate Change. It is becoming increasingly clear that to counter the projected impacts of global warming, we need coordinated effort across the world.

The intensive collaborative research work that is being carried out during the ongoing International Polar Year 2007-08, therefore assumes greater importance. I am sure the policy and law makers world over will be benefiting by the research work being carried out by the Polar Scientists in Antarctica,

in taking informed decisions and remedial steps against the impacts of global warming.

I am happy to note that the Meeting has adopted a comprehensive report of the 10th meeting of the Committee for Environmental Protection, which has included a specific agenda on 'Climate Change' for its deliberations during the next ATCM. This is significant considering the report on Climate Change by the IPCC.

Detailed deliberations on the growing tourism in Antarctica and the decisions taken by this ATCM will surely help in providing necessary direction and a framework for developing a regulatory mechanism to safeguard the Antarctic environment.

The Antarctic Treaty System has become an epitome of coordinated research and cooperation, carried out by the nations and organisations represented here in this august Meeting. The path shown by the Antarctic Treaty System by forging ties in collaborative research and enforcing a strict regime of environmental protection through a detailed consultative process, is not only unique to the Treaty but needs to be followed in other areas as well.

I hope that you have enjoyed your stay with us as much as we enjoyed hosting the ATCM. You must have got some time from the hectic schedule of the Meeting, to visit some of the historical monuments and sites in and around Delhi.

Let me conclude by stating that India remains committed to scientific research and technical cooperation in the Polar Regions. Antarctica being a common heritage of mankind and the foremost symbol of peaceful use and cooperation needs to be protected for posterity.



023. Address by External Affairs Minister Pranab Mukherjee at the All India Annual Conference for Haj 2007.

New Delhi, May 11, 2007.

At the outset, I express my gratitude for organizing this programme. My colleague, Shri Ahmed was to come but he could not come due to injury to his leg. I am very glad to be with you all this morning to inaugurate the All India Annual Haj Conference. At the outset, I would like to compliment and congratulate the Government of the Kingdom of Saudi Arabia for the arrangements made for the last Haj and for its successful completion. As you know, acceding to our request, they increased our quota by 10,000. I would also like to commend the efforts made by the Haj Committee of India, the Indian Missions in Saudi Arabia, the Airline companies and all other individuals and agencies for their contribution in the smooth and successful organization of Haj pilgrimage and the arrangements made for the last Haj.

It is a matter of great pride for us that one of the largest contingent of Haj pilgrims in the world goes from India. I am glad to learn that over 1,50,000 Indian pilgrims performed the Haj last year, which is an all-time record. Indeed, under the UPA Government the pilgrim quota has been considerably increased during the last three years. In this connection, I would like to express my sincere gratitude to the Government of the Kingdom of Saudi Arabia and the Custodian of the Two Holy Mosques for acceding to the request made by the Government of India for enhancement of our quota.

For millions of Muslims all over the world, and India is no exception, pilgrimage to the Holy places of Makkah and Madinah is a cherished life-long dream and the Government of India is committed to ensure that the best possible arrangements are put in place for the comfort and well being of Indian pilgrims. The External Affairs Ministry under the guidance of my colleague Shri E. Ahamed has put in dedicated effort in bringing about perceptible improvements in Haj management during the last three years. I congratulate him, his colleagues and senior officers.

It is indeed heartening to note that our Haj Mission is working hard to fulfill the mandate given to it of serving the Hajjis and taking care of their needs and requirements during their stay in the Kingdom of Saudi Arabia. I am happy to note that our Haj Mission in Saudi Arabia has been conferred with the ISO 9001 certification.

The Government would continue to depute in sufficient numbers, administrative, para-medical and medical personnel to look after and assist the Indian pilgrims

during their stay in Saudi Arabia. Sufficient medicines and other critical medical equipment would also be made available to our doctors for helping the Indian pilgrims. We are constantly striving to bring in improvements and deal with constraints if any relating to manpower and logistics and to provide our Haj Mission in Jeddah with trained personnel as required including IT professionals.

The Government is also making all efforts to ensure that private tour operators who take pilgrims to Haj provide proper services and facilities for the pilgrims. These pilgrims also benefit from the arrangements, for medical and general assistance, put in place by the Haj Mission in Jeddah.

I am happy to learn that the Haj Committee of India has plans for the computerization of the Haj arrangements by linking all the State Haj Committees through a wide area network. The use of Information Technology in Haj Management would significantly improve the speed and efficiency of the services rendered to pilgrims. Pilgrim data is already computerized by the Consulate in Jeddah and can be accessed through the Consulate's website.

The Haj Committee of India organises regular orientation/training programmes at the State and District level for providing the pilgrims knowledge of instructions and guidelines to enable them to perform their pilgrimage in a proper manner. I am glad that the first training of trainers camp has already been held yesterday in New Delhi. In this connection, I can assure your Excellency that when you mentioned last time that our pilgrims require training, this training is a step in this direction.

The Government ensures that satisfactory arrangements have been made to facilitate the travel of the Haj pilgrims to Saudi Arabia through the 15 embarkation points in India to Jeddah and Madinah. Both Air India and Saudi Arabian Airlines have rendered service to the pilgrims in this effort. I would like to assure this gathering that the Government's objective is to bring about constant improvements and innovations in our Haj Management, both in India as well in Saudi Arabia.

You would be happy to know that the Government has constituted two Committees i.e. an Expert Group on Haj to recommend ways and means to make further improvements in our Haj management and another Committee to study measures to look into the reforms of the existing system of management of Haj pilgrimage and prepare an appropriate and viable model for Haj Management. Both the Committees have held several rounds of discussions and their recommendations will help the Government in further improving Haj Management.

Friends, the Annual Haj Conference is a very important event in Haj management as the participants jointly introspect, review and deliberate upon the experiences of the previous Haj. They also discuss inadequacies and short-comings, if any, and suggest ways and means for ensuring better arrangements in the following year. I am sure that this Conference would also provide a very strong platform to achieve the common objective of making the best possible arrangements for Indian Hajis.

As welfare and well-being of Haj pilgrims has always been a matter of utmost concern for the Government, I would urge the participants here to give high priority to the training and orientation of prospective Haj pilgrims so that our pilgrims are able to perform their holy rituals in a proper and safe manner.

I take this opportunity to flag an important area of concern that is proving as a bottle-neck to streamlining Haj Management in India. This is the delay in the formation of State Haj Committees by some States in accordance with the provisions of the Haj Committee Act 2002. I would like to urge all those States who have so far not constituted their State Haj Committees to do so expeditiously.

As part of the preparations for Haj 2007, a composite delegation of senior officials from the Ministry of External Affairs, the Ministry of Civil Aviation, Air India and the Haj Committee of India, has already met in Jeddah in March 2007 and gave final touches to the plans for next Haj. The discussions by the Composite delegation also included means to find better accommodation at affordable costs for our pilgrims. Based on our past experience in hiring accommodation it has been decided to rationalize parameters and rates for the accommodation. Discussions have also been held to plan air transport arrangements. Shri E. Ahamed, MOS, would also be visiting Saudi Arabia later this month to meet with the Saudi Minister for Haj and to conclude the formal agreements for Haj 2007.

As improvement in Haj Management is a continuous process, I, on behalf of Government of India, would like to assure you that we would very carefully consider all suggestions that would emerge from the deliberations of this Conference and try to implement them wherever feasible in the overall interest of our pilgrims.

Before I conclude, I extend my apology for the delay.

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



024. Address by Minister of State E. Ahamed at the All India Annual Conference for Haj 2007.

New Delhi, May 11, 2007.

It's my great pleasure and privilege to welcome you all to the All India Annual Conference for Haj 2007. It is a matter of personal privilege for me to be associated with arrangements of the Indian Haj pilgrims for over a decade including during the last three years as Minister of State for External Affairs, directly in-charge for Haj Affairs.

2. I would also take this opportunity to congratulate all the agencies involved in the Indian Haj management, in particular the Haj Committee of India, State Haj Committees, Air India, Indian Airlines, Indian Missions in Saudi Arabia for the successful completion of the Haj 2006-II. The Haj 2006-II was by far the most challenging because of the record number of pilgrims from India who performed Haj. This was due to the Government of the Khadim Al-Haramain Al-Sharifain granting an additional quota of 10,000 pilgrims to India for which we are grateful. I would request the Government of Saudi Arabia to at least maintain the same quota of 1,57,000 for this year given the increasing desire of Muslims in India to perform Haj.
3. Dear Friends, the Annual Haj Conference is an institutionalized platform for all those with interest in Haj management; the political leadership, the Haj Committees, the Government departments, Indian Missions in Saudi Arabia, the Ministry of Civil Aviation, Air India, Members of Parliament and learned religious scholars to express their views through transparent discussions, frank exchange of opinions and brainstorming on all Haj-related matters. The deliberations in this forum have brought to the forefront many useful suggestions and ideas in the past, which had enabled the Government to further improve and strengthen the overall arrangements of the Haj.
4. I would like to urge various States to depute sufficient number of Khudammul Hujjaj and to give them proper orientation so that they can be of use to the pilgrims. These Khudammul Hujjaj are supplemented and supported by community volunteers mobilized by the Consulate General of India hailing from different parts of India.
5. I would also like to request the Haj Committee of India and the State Haj Committees and all others who are concerned with Haj affairs to

give highest priority to pre-departure counseling and orientation of the prospective Haj pilgrims so that they embark on their journey of lifetime with greater confidence and perform their rituals in a safe and spiritually satisfying manner.

6. During the last Haj I was fortunate to lead the Prime Minister's Haj Goodwill delegation to Saudi Arabia. During my stay there, I, along with my other colleagues, personally supervised the Haj arrangements. We also got the opportunity to take up several matters with Saudi agencies like the South Asian Moassasa and the Ministry of Haj.
7. I am planning to visit Saudi Arabia soon to hold discussions with the Saudi Haj Minister, Dr. Fuad bin Abdul Salam Al Farsi on the arrangements for the next Haj. We shall also be signing the Haj 2007 Agreement with the Saudi authorities.
8. The Government and the Haj Committee of India constantly strive to make Haj affordable and comfortable. While all possible measures are taken to cater to the diverse requirements of all our Haj pilgrims, considering the magnitude of the logistics of movement, accommodation and air transport, it is not always easy to satisfy all the pilgrims. I would, therefore, request the pilgrims to show patience and understanding. I appreciate that most of the pilgrims have been cooperative and appreciative of the government authorities.
9. I would request all the participants in this august conference to air their valuable views and suggestions so that it could inform policy decisions.
10. I would like to express my deep sense of appreciation of the contribution made by the Haj Committee of India under the leadership of Janab Iqbal Ahamed Saradgi, who has shown exemplary concern and interest in Haj matters.
11. Before ending I would like to personally thank the honourable External Affairs Minister Shri Pranab Mukherjee for inaugurating the Conference. I thank all of you for your gracious presence and extend my best wishes for a successful All India Haj Conference.

Thank you



025. Speech of Defence Minister A. K. Antony on "China and India: Building International Stability" at the Shangri-la Dialogue-2007 of the 6th Asian Security Conference.

Singapore, June 2, 2007.

Most of us gathered here today are professionally focussed on security issues. We deal with different dimensions of security - from internal and regional, to the continental and global. We also envisage the definition of security in varied ways - from the traditional hard security viewpoint to its larger and softer concepts. We have been made aware too that the nature of threats that societies face are constantly changing. Obviously, our responses which are so critical to ensuring international stability must keep pace with those changes. Today, I share India's thinking on these subjects, less as a projection of static interests vis-à-vis an external world, and more as a viewpoint of a country integrating with a larger global canvas. I hope thus to bring out how India's security policies contribute to building international stability.

For some international stability is the absence of conflict among the major powers. As was notably the case during the Cold War, international stability in this perspective is also related to a balance of power between major contenders for influence. The Cold War is gone but the concepts of deterrence, balance, arms races and arms control are still seen as important factors in international stability. This point of view may still be valid to a degree but just as our view of security has evolved so too must our view of international stability.

Given today's unprecedented globalisation in trade, technology, media, and a host of other areas, our lives are linked together in myriad ways. This interdependence is in itself a major dampener of conflict, reducing the incentive for major players to seek a resolution of differences by a show of strength. However, globalisation has highlighted new threats to international stability such as meltdown of currencies and financial markets - a new domino theory if you will - cascading protectionism, pandemics, uncontrolled migration flows and inability of states to handle change and conflict within thereby generating instability and conflict. Globalisation and interdependence have also changed radically the nature of old threats and enhanced the threat potential of non-state actors. For example, India had to cope with terrorism in the 80s. It was seen by many as India's problem. Today, post 9/11, international terrorism is seen from a very different

perspective. The old concepts of balance of power and accommodation of rising powers through slow adjustment of existing frameworks need to be updated and supplemented if we are to successfully handle these challenges to international stability.

In this background and as Minister of Defence, how do I see India's security priorities? India is the world's most populous democracy. The well-being of its billion plus citizens has to be any Indian Government's first task. This well-being is not only economic. Our Constitution embodies a host of rights and guarantees and directs us to remove social and economic disparities. When security is accompanied by such a broad sense of well being, we can be more certainly assured of stability. Meeting aspirations in the midst of substantial change is, however, a very complex challenge. Yet, it has to be seriously undertaken because mitigating grievances and addressing expectations are central to the management of such change. Values, beliefs and ideologies can make their contribution, both positively and negatively. The point I wish to emphasise is that an effective management of India's internal security at a time of rapid modernisation is itself a key contribution to international stability. When one sixth of the world demonstrates an ability to meet its wants, manage its expectations and govern itself effectively, the significance of that achievement cannot be overvalued.

India has a coastline of more than 9000 kms, 300 island territories, some of which are closer to our neighbours than our own landmass, significant and growing maritime assets and 2.5 million square kms of Exclusive Economic Zone (EEZ). The sea lanes going through the Indian Ocean are vital arteries of the global economy. We still have unresolved border issues and for more than two decades we have had to respond to the challenge of cross-border terrorism and proliferation of ballistic missiles and nuclear weapons in our neighbourhood. Our next security priority therefore has to be ensuring peace and stability on India's borders and in the regions with which we have increasing interaction - the Gulf, Central Asia, the Indian Ocean region, South Asia and South East Asia. This entails maintaining an adequate level of defence preparedness to keep the probability of armed conflict low and to respond to situations such as the 2004 Indian Ocean " tsunami". Where there are disagreements, the priority has to be confidence building and a rational and realistic approach based on peaceful bilateral dialogue.

We have taken a number of policy initiatives - both bilateral and regional - that would put our ties with immediate neighbours on a much better footing.

Our relations with China have undergone a significant improvement. As we both expand and integrate with the global economy, new opportunities offer themselves to refashion our ties. On major global issues, we often have converging positions and shared interests. We are committed to settling bilateral issues in a fair and transparent manner. With Pakistan, the composite dialogue has changed the climate of our ties for the better. With regard to bridging our differences, including on Jammu & Kashmir, we know what has not worked in the past. The challenge is to devise more imaginative approaches. To do that, it is imperative that Pakistan delivers on its commitment not to permit any territory under its control to be utilised to support terrorism in any manner. I cannot emphasise enough India's stakes in the emergence of a stable and moderate Pakistan, at peace with itself as much as with its neighbours. Our quest to strengthen regional stability extends equally to other neighbours. For example in Afghanistan, India has committed more than US \$ 750 million to reconstruction and 3,500 Indians are participating in such programmes there. With all our neighbours we are prepared to go the extra mile to encourage greater regional cooperation for mutual benefit. The recent SAARC Summit in New Delhi is a testimony of our sincerity in this regard. In security matters, India has completed a decade of engagement with the ASEAN Regional Forum (ARF), which provides a vital platform for the major security players in Asia to sit together and debate common challenges.

Since the beginning of economic reforms in 1991, the Indian economy has become increasingly integrated in terms of trade, investment and technology flows with the rest of the world. Therefore the third security priority for us is to safeguard the material, psychological and technological basis for enhanced interaction with the rest of the world. Our approach in dealing with cross-cutting threats to security is based on a realistic assessment of global trends, capabilities and our own technological options - be it in terms of energy security, the security of critical infrastructure, WMD proliferation, terrorism and maritime security. The issue of non-littoral contributions to the security of sea lanes has been discussed in this Dialogue earlier. India remains willing to work constructively with littoral States in ensuring the security of vital sea lanes.

Finally India's security priority has to be a vigorous and active participation in shaping global developments, including through strong equations with key players - US, Russia, EU, China and Japan and key regions such as the South East Asia, the Gulf and the Middle East. Contrary to some theories in that regard, we do not perceive the inter se relationships

between the major global players in zero sum game terms. Our defence and security interaction with the major powers is expanding in both scope and content. The recent naval exercises and visits that we conducted with Singapore, Vietnam, the Philippines, with Japan and USA, and with Russia and China reflect the expansion of our vision as much as our capabilities.

I have attempted to describe India's security priorities in terms of the requirements of international stability today. India's first priority may be internal, focussing on a conducive environment for rapidly improving the quality of life of our people, but when we succeed at home, given the sheer numbers involved, we also succeed in denting global poverty and in demonstrating new opportunities for developing countries to leverage the globalised economy. Equally importantly the pluralism that sustains our society at home can be a major contribution to a more stable and diverse international order. Regionally, our security interests are met by a peaceful and developing periphery. This is the aim of our current intensifying engagement with countries in South Asia, South East Asia, West Asia and Central Asia. Given the challenges to peace and long term stability in these regions, this also contributes to international stability. Globally, we are contributing actively as a responsible partner to the search for solutions to security dilemmas connected with terrorism, WMD proliferation and other non-traditional security threats. Our longstanding credentials as a good global citizen will only be further reinforced by the growing stakes that we have developed in the world economy. India's relations with the major powers - United States, Russia, China, European Union, and Japan as well as the emerging powers of Latin America and Africa are on a path of rapid expansion. This in itself is a positive development for international security and stability in a rapidly changing world characterized by multivalence, interdependence and political cooperation among the major powers. Our rise has given no cause for any apprehension with regard to regional or international stability. On the contrary this is seen as contributing to the development of a more stable world order.

To conclude, it is not merely the structure of the international system that is changing at a rapid pace. The challenges themselves are evolving rapidly. When it comes to natural disasters, pandemics, illegal trafficking in goods or people or environmental problems, traditional analysis based on national rivalries must give way to more forward looking approaches of cooperative solutions.

It will require major states, in particular, to be less tactical in their approaches to the key challenges of our times. This will also require that no single forum perhaps assume responsibility for international security related issues. Only a pluralistic security order working through a network of cooperative structures can have the legitimacy as well as the wherewithal to deal with the security challenges of the 21st century. India is ready to play its role in the shaping of this new approach to collective security.



026. Address by External Affairs Minister Pranab Mukherjee on the celebrations of the World Environment Day and the Foundation Day of the National Museum of Natural History Organized by the Ministry of Environment and Forests.

New Delhi, June 5, 2007.

It gives me great pleasure to join you all here on the occasion of the World Environment Day being organized by the Ministry of Environment and Forests and also the foundation day of the National Museum of Natural History.

The museum owes its genesis to the Late Prime Minister Smt. Indira Gandhi. In 1972, while considering the new projects to be initiated to celebrate the 25th anniversary of India's Independence, she decided that the country needs a museum of Natural History to depict its flora, fauna and mineral wealth, to provide an out of school facility for education of children and to promote environmental awareness among the masses. The vision got crystallized and the Museum was set up on June 5, 1978. I am happy that the Ministry and the National Museum of Natural History have maintained the spirit by celebrating this day every year as people's event with colourful activities such as street rallies, bicycle parades, green concerts, essays and poster competitions in schools, tree planting as well as recycling and clean up campaigns, etc.

The World Environment Day, commemorated each year on June 5, is one of the principal vehicles through which the United Nations stimulates worldwide awareness of the environment and enhances political attention and action. This day was established by the United Nations General Assembly in 1972 to mark the opening of the Stockholm Conference on

the Human Environment. The theme for this year's World Environment Day is - "**Melting Ice - A Hot Topic**". It focuses on the challenges facing the people and ecosystem that we live in, as a result of rapid environmental and climatic changes. In doing so, it also links to the wider world where glaciers are shrinking and an increasing number of extreme weather events are triggering more frequent droughts and floods, which we are also facing in India.

Climate Change is also one of the key themes of the UN decade of Education for Sustainable Development (2005 - 2014) and I am very happy to release a poster for school children on this theme, which hopefully will be used as a teaching tool.

The Arctic and Antarctica may be the Earth's climate early warning system-feeling the heat first-but we know it does not end there. Ocean circulation, the key driver of regional and global weather systems, is inextricably linked with melting and freezing processes in and around the poles. The Polar Regions are also a kind of protective shield, reflecting heat back into space that would otherwise be absorbed on Earth. There is also growing concern over the so-called 'positive feedback' including the potential release of massive amounts of the powerful greenhouse gas methane, which is stored in the Arctic permafrost. So, what happens in the Arctic and the Antarctic as a result of climate change is of direct concern to us all-from someone living in the Congo River Basin, the Australian outback and in rural China, to suburban dwellers in Berlin, Rio de Janeiro, Washington DC or New Delhi.

Human activities undertaken in the past 250 years have increased the concentrations of greenhouse gases in the atmosphere. As a result, more of the sun's energy is getting trapped in the lower atmosphere, and is heating up the surface of the earth. The impacts of climate change are going to be of particular concern to India. A large proportion of our huge population depends on climate-sensitive sectors like agriculture, forestry and fishery for livelihoods. Also, we have a huge population residing on and near the coastal belts, which will face the most immediate impacts of rise in sea-level. The enormity of the predicted impacts, such as retreat of Himalayan glaciers and changes in the monsoon, combined with poverty and vulnerability, will adversely affect India's economy, environment and development.

The actions of those living outside the Polar Regions are of direct concern to Arctic peoples. The vast majority of emissions that are contributing to

melting ice have been and are being generated on the roads and in the factories, homes and offices of the industrialized economies. We are currently locked into a vicious and ever widening circle. We need to make it a virtuous one. Therefore, steps must be taken immediately by all concerned according to our common but differentiated responsibilities and respective capabilities with the industrialized countries taking the lead as they account for the vast bulk of the emissions already in the atmosphere.

In India we have taken major initiatives including adopting a National Environment Policy, 2006. India's NEP is a response to our national commitment to clean environment. It synergies environmental and economic policies and appropriate institutional mechanisms to support the integration of three pillars of sustainable development: economic development, social development and environmental protection. It recognizes that the environmental management cannot be treated separately from other development concerns and that the poor are seen not as a problem but as a part of the solution. The policy is bringing in new models of partnerships between the Government and the civil society.

As a signatory to the United Nations Framework Convention on Climate Change, we are committed to climate-friendly sustainable development. Energy efficiency has improved in energy-intensive industries such as cement, paper and steel. Initiatives such as the conversion of public transport to CNG, enhancement of public transport through the metro rail and Bus Rapid Transport Systems, promotion of bio-fuels such as jatropha, are noteworthy for their impact in reducing emissions. The Energy Conservation Act 2001 has set energy consumption norms for each industry, energy labeling and standards for all electrical appliances, and energy-efficient building codes. The Bureau of Energy Efficiency has been established under this Act. India also has an active renewable energy programme.

The Government of India, over the last 55 years of economic development, had major programs addressing climate variability concerns. These include cyclone warning and protection, coastal protection, floods and drought control and relief, major and minor irrigation projects, control of malaria, food security measures, research on drought resistant crops, and several others. Together, they address adaptation needs of the country to Climate Change with a spending of up to around two percent of our GDP each year. The Ministry of Environment & Forests has set up an Expert Committee under the chairmanship of Dr. R Chindambaram, Principal Scientific Adviser to the Government of India while drawing leading and

credible experts on climate change from multi-disciplinary fields to study the impact of climate change on India and identify the measures that we may have to take in the future.

It should be remembered that conservation and management of the environment is not the sole responsibility of the Government alone. Individuals can also take steps to prepare themselves, their families and their communities to cope with the impacts of climate change. Awareness, as they say, is the first step to action. As students and as future leaders of this country, you can make a difference by creating awareness about climate change, its potential impacts, and the steps that can be taken to reduce climate change and its impacts. Growing and planting more trees, protecting the environment, conserving energy, reducing waste, and avoiding unsustainable lifestyles are some of the things that you can do.

I would like you all to remember what Shri Rajiv Gandhi, late Prime Minister of India said during the speech made at the 42nd Session of the UN General Assembly: "We are a part of nature and are not apart from nature. We are strand in the single fabric whose warp and weft link together all that is of the earth and the water, the air and the sky." These words are worth keeping in mind if we want to work towards a sustainable future together. Wishing you all a very Happy Earth Day 2007!

Thank you.



027. Intervention by Prime Minister Dr. Manmohan Singh on Climate Change at the Heiligendamm meeting.

Berlin, June 8, 2007.

Madam Chancellor,

I must thank you for raising this issue, of such significance for our future generations and us. Your ideas, and those of PM Blair, President Bush and PM Abe are very useful for us to have a constructive discussion today.

We all have a vested interest in making our planet secure for our children and grand children.

India's GHG emissions are among the lowest in per capita terms. Moreover, being only around 4% of the world's emissions, action by us will have a marginal effect on overall emissions.

Nonetheless, we recognize wholeheartedly our responsibility as a developing country. We wish to engage constructively and productively with the international community and to add our weight to global efforts to preserve and protect the environment.

We are determined that India's per-capita GHG emissions are not going to exceed those of developed countries even while pursuing policies of development and economic growth.

We must work together to find pragmatic, practical solutions, which are for the benefit of entire humankind.

These should include mitigation and adaptation strategies with fair burden sharing and measures to realize sustainable patterns of consumption and production.

The process of burden sharing must be fair. It should take into account where the primary responsibility for the present levels of GHG concentration rests and not perpetuate poverty among the developing countries. No strategy should foreclose for them the possibilities of accelerated social and economic development.

The principle of common and differentiated responsibility and respective capability is very important.

The time is not ripe for developing countries to take quantitative targets, as these would be counter-productive on their development processes.

Adaptation is the key for developing countries. It needs to be adequately resourced without detracting funds meant for development, which, in any case, is the best form of adaptation.

The determination of any particular stabilization goal and the time frame in which it should be achieved needs to be made at the United Nations Framework Convention on Climate Change.

This should be preceded by a scientific consensus on impacts at different levels of GHG going beyond the current IPCC findings, which still document many uncertainties. It is important that critical and promising clean technologies are made affordable for developing countries, where there is a large reliance on fossil fuels.

The IPR regime should balance rewards for innovators with common good for humankind.

We also believe that the carbon market has a significant role to play in tackling climate change and that we should spur private sector involvement in climate related technologies and investment.

The Clean Development Mechanism (CDM) has worked well and needs to be expanded to include approvals for programmatic approaches. Enhanced level of GHG abatement commitments by the developed countries would significantly stimulate CDM projects.

Let us leave Heiligendamm determined to continue our exchanges and to invigorate the existing for a where these issues are being negotiated. In the meantime, our representatives could continue informal discussions to carry forward our dialogue and to build on what we believe in common.

Thank you.



028. Extract from the Interaction of Prime Minister Dr. Manmohan Singh with the media on board the flight from Berlin to New Delhi.

June 9, 2007.

On board Air India One

Opening remarks

I regret that I was not able to interact with you on the way to Berlin. I was little indisposed. I came here to take part in the meeting of the G 8 Countries and the five outreach countries, Brazil, Mexico, China, South Africa and India. We were not active participants in the G 8 processes, in fact G 8 communiqué was issued even before our meeting and we did make the point that in future, if similar meetings have to take place, then we should get a chance to discuss issues of our concern before the G 8 meeting so that our point of view can be reflected in the thought processes of the G8. And I said we have come here not as petitioners but as partners in an equitable, just and fair management of the global comity of nations which we accept as the reality in the globalized world.

Yesterday before the meeting I made the same point to Chancellor Merkel and she recognized there was merit in what we said. I hope that next year's meeting, if we are invited, will be in a form in which we have a chance to interact with the G8 nations before they interact amongst themselves. As far as substance is concerned, the discussions with the outreach countries centered on the global economy and issues relating to management of global climate changes. As far as the issues relating to the global economy are concerned there is a general feeling that the world economy is doing quite well, certainly the people talk about the global economy, they talk of the dynamic role played by China, Brazil and India. This is a new reality which the developed countries respect and they recognize there could be no meaningful management of the global issues in which India, China and other emerging countries like Brazil, South Africa, Mexico are not involved.

Another point we said, globalization is a reality but it is certainly not the case that globalization as it is now being practiced is a win win game, Africa is a case in point. They have a feeling of being left out. Also the Millennium Development Goals which were fixed by the international community - I think there is a slippage on many fronts and the slippages in

large measure are due to lack of adequate financial resources by the world community in support of Africa's development processes.

As far as climate change is concerned, I think this was essentially a dialogue among G8 countries with sharp differences between U.S. and the EU and they have been aiming to paper over those differences. I think today there is a general recognition that global warming is a reality, that Green House Gas emissions are giving rise to increased temperatures and something has to be done to protect the integrity of the environment. And we do recognize that the whole world shares a common environment and if environment deteriorates, if essential life support systems of our planet get adversely affected, we also suffer, in some ways more than many other countries. We as global citizens have a responsibility to contribute but in accordance with accepted Kyoto Principles that countries have equal but differentiated responsibilities depending upon their capabilities. We also feel that while anybody is free to discuss issues of climate change in various fora, the central role must be that of the United Nations Convention on Climate Change and the Kyoto processes must not in any way be adversely affected.

I am glad that on that particular point, where there was some doubt that the G8 want to take this issue out of the UN, at our persistence, Chancellor Merkel reaffirmed that there is no part of their thinking to side track the UN in the management of global climate change. In that sense, it was a positive gain of our participation with other outreach countries. Of course there are demands on countries like China, India, Brazil to also accept obligations to reduce green house gas emissions and we said we have not come here to discuss targets or accept internationally enforced targets on us. We will do whatever we can. We have been doing to protect our environment, to promote energy efficiency, to promote the use of renewable sources of energy. May be we could do more, we shall do more, but the time is not ripe to fix any quantitative targets as far as we are concerned. But I did say when I was asked by Chancellor Merkel, I said well, developing countries accept their responsibilities. As an instance we could assure the world that at no time, our per capita emissions will exceed that of the Developed countries. This will act as a two way incentive. If the Developed countries do more to reduce their green house gas emissions per capita, we will also reward them by doing more. For the first time I floated this idea yesterday. In my bilateral meetings when I elaborated on this, Chancellor Merkel said, well this is an idea which has very important positive implications and which needs to be looked into. So this is important outcome of our meeting with G8.

I also used this opportunity to meet with important world leaders beginning with the recently elected President of Nigeria. We had very good discussions. I believe India and Nigeria can foster closer economic cooperation. Our Government is already very active in Nigeria. The President assured me in bilateral relations, the best is yet to come. He also expressed concern that some of our expatriates had been kidnapped and there are criminal elements at work. President assured me that the people were safe, that the Government of Nigeria will do all that is in its power to ensure that they return safe and secure.

I met the Secretary General of the United Nations. We discussed various issues such as the operations of UN Mission in Nepal, also developments in our neighbourhood - Sri Lanka, Afghanistan and I assured the Secretary General that as a founder member of UN it is our obligation to strengthen the role of the UN and its SG in dealing with global challenges that international community faces.

I had very good bilateral discussion with President of Mexico. Many of our companies are investing there. Mexico has emerged as an important market for us because they are a member of the NAFTA and therefore it is one gateway for our companies to enter US and overcome tariff barriers. Already some of our companies have taken advantage. Some of our steel companies are active in Mexico, some of our pharmaceutical companies are active. I invited the President of Mexico to visit India. I think he will soon be coming to our country.

I had a very good meeting with British Prime Minister, Tony Blair. We reviewed the state of Indo-British relations and both of us expressed satisfaction at the positive direction that our relationship has strengthened under Prime Minister Tony Blair's leadership of the UK.

I also had a brief meeting with the new French President, Mr. Sarkozy. Both of us recalled that our relations are multi faceted and were quite good. The economic content of our relationship needs to be enlarged, French investments have to come to India. Further there was defence cooperation, civil aviation cooperation and nuclear energy, and these were important dimensions of our relationship.

I also had a brief meeting on the sidelines with President Putin whom I met in India in January. We reviewed the state of our bilateral relations and touched upon our many faceted relationship - economy, defence and other areas where we are cooperating with Russia. I expressed to President

Putin our satisfaction at the interest that he has personally taken in development of relations with our country.

President Bush was not well yesterday. But he came briefly for the meeting and then he took me aside and we had a good conversation on our cooperation in the civil nuclear energy and related issues. There has been a whole lot of speculation in the press about difficulties. There are some difficulties but I think both of us expressed our determination to overcome them. President Bush was quite appreciative of our concerns. Beyond that, I wouldn't like to say more than that. He has a very positive feeling towards India and he feels a certain sense of ownership of the nuclear deal and therefore I was quite satisfied with my meeting. Mr. Narayanan had a meeting with his counterpart, the National Security Advisor.

As far as my meeting with Hu Jintao is concerned, it was a very warm meeting. We have discussed issues. I did raise the issue of border, cooperation in the management of inter state rivers, exchange of data, flood warning. Hu Jintao responded quite positively that they will sit down, they will nominate their representatives on these groups. And he also agreed that both our Special Representatives dealing with the border issue must move forward and both of us expressed that is the direction we will give to our Special Representatives . It was a very cordial meeting and President Hu was very complimentary on what has been done in recent years to bring our two countries closer to each other. So this is the sum and substance of my meetings.

Question and Answer session.

On the India- US Nuclear deal :

1. Let me say that I cannot assert that I got the final answer yesterday. I can only talk about atmospherics. Atmospherics at the yesterday's meetings were quite positive but it will take some more time. Some tough negotiations will be required before we see light at the end of the tunnel.
2. There are several ideas which are around . I think this is an ongoing process. I think there is nothing new. All we are interested in is the substance of the 123 agreement should conform to what I had told people of India, what I told Parliament. I think various permutations and combinations are discussed from time to time. There is no finality to these till we see light at the end of the tunnel.

3. He [Bush] took copious notes of what I said to him. With him was his deputy, Hadley, the National Security Advisor. Mr. Narayanan had also detailed talks with Mr. Hadley.
4. We did not discuss a time frame. It was too brief a meeting for me. The President was not too well yesterday. In spite of that he did us the honour of pulling me aside and discussing this issue.
5. Well, it will be immature on my part to indicate any deadline. Why September? Why not earlier?

On usefulness of participating in the summit:

6. Well. Let me say that each visit is an opportunity for me to carry to the world what we are doing to develop our economy. The more I talk to world leaders, I feel today there are no international constraints to India's development. I said this before. The world is appreciative of what India has done. Yesterday, we were discussing the South Asia situation - what is happening in Pakistan, what is happening in Afghanistan, Bangladesh, in Sri Lanka - Prime Minister Blair said in that environment, it is advantageous to have a country like India, with one billion people, functioning democracy - so I think there is a great deal of appreciation of our ability to sustain the democratic process despite our poverty, despite our diversity. The world wants India to succeed. I think that is the impression I too get.
7. I said that today there are no international constraints on India's development. If there are problems, they are local. Our primary concern is to get rid of chronic poverty, ignorance, disease and the urban and rural divide. And if we do succeed in sustaining 9-10% growth rate, if we pay adequate attention to agriculture, if we pay adequate attention to Human resource development, I think nothing can stop our march ahead. In that process, India needs a favourable environment. We need peace in our region. We need a fast growing world economy. That is why international polity matter for us. I feel today that environment is certainly favourable to realization of our basic development ambitions.

On Opposition parties criticism of the nuclear deal.

8. It doesn't bother me. I have always said, we should judge politicians not by what they say when they are in opposition but what they do

when they are in seat of power. I am quite sure any patriotic Indian, if she or he had reins of running this country, they would have welcomed the deal. What we are attempting would end India's nuclear isolation, preserve the integrity of our strategic programme, and at the same time, open new pathways for India to cooperate in international civil nuclear energy. Energy is our critical bottleneck. Environment friendly energies are now talk of the town. Nuclear energy happens to be one such clean energy. If we get access to International cooperation, international technology, I think that will only enhance our development objectives.

On India - Pakistan relations and example of German unification.

9. I have often talked about this. Twenty years ago, who could have imagined that Berlin wall would fall and E. Germany and W. Germany would be united? What was unthinkable in international relations became a norm. So that gives us hope. Even when you are dealing very difficult issues, we should not lose hope. I think there is no solution other than peaceful negotiations to deal with difficult problems including problems in our own region. What is simply considered unfeasible, German unification was one such. It became a norm....I have the same hope that this rule will also apply to our sub continent. India and Pakistan - Our destinies are interlinked and therefore it is our ambition, it is our prayer, that we must both find pathways to live together and resolve all our bilateral issues.
10. I have an invitation and I would certainly like to visit Pakistan and at the moment, President Musharraf has problems at home. I don't want to complicate his problems. I do wish to go to Pakistan. I have an invitation which I have accepted.
11. What is going on in Pakistan is their internal matter. We don't want in any way to interfere in Pakistan's processes of governance. Whosoever is in power in Pakistan, our desire is to live in amity and peace with our neighbours.

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On his speech at the CII summit.

15. No I was not talking about any Government imposed salary regime. The Industry people came to meet me. I was reluctant to go to CII. I have gone there so often. I don't want to repeat what I said earlier

on. I said you must get some new ideas, some new person. They told me, you must talk about what business can do for the country. And it was in that context that I made that speech. It was not an attempt to glorify that everything is right with government sector, and corporate sector is to be blamed for all ills. If you read my speech carefully, I paid compliments to all those who are in the process of wealth creation.

16. All these matters are subject to review by the Reserve Bank of India. I had been the former Governor of the Reserve Bank. I would not like to say anything which interferes with the autonomy of the functioning of the Reserve Bank of India. These are matters that are dealt with and controlled by the Central Monetary authority of our country.

On Sino- Indian ties.

17. President Hu Jintao quoted to me twice before using a statement which I made when I became Prime Minister, I said I do not buy this argument that India and China are in competition with each other. Both of us, if we develop in a strong way, will be a source of dynamism in the world economy and the world is large enough to satisfy the development needs of both our countries. So we have every incentive to work together in diverse ways that we can.

On the Doha Round:

18. I mentioned to whosoever asked me about Doha Round - I have a strong belief in multilateral trading system which is open, which is non-discriminatory. So we have a vested interest in the successful outcome of the Doha Round of Trade negotiations. Some countries have trading blocks, like the European Union and other Unions, we do not belong to any trading block, and therefore we have every reason to see that the world trade should expand under multilaterally set rules and that there should be no discrimination against poor countries. Our basic position is we want Doha Round to succeed. But Doha Round was advertised as a development oriented round. For 60 years, yesterday I mentioned to Chancellor Merkel, the world trading system on agriculture has violated all canons of fair trading rules which are applicable to trade manufacturers. Many developing countries have this grievance that we talk of. globalization but globalization will never be fair and equitable, if the primary producers

in the developing countries do not benefit from the rules of game that apply to world trade and agriculture. Therefore, the developed countries have an obligation to liberalize their agricultural trade, to get rid of trade distorting subsidies, to improve access for developing countries and I said that if this aspiration is met, we will also be flexible. If you look at India's record in the last 15 years, we have unilaterally reduced tariffs. We have unilaterally reduced our tariff on manufactured goods, the peak manufacturing tariff today in India is no more than 10%. So regardless of what has been happening in the trade negotiation, we have unilaterally reduced the trade barriers. India is not a part of the problem, India wants to be a part of the solution. But if the developed countries come up with sensible proposals which will satisfy the development aspirations of poor countries, we will work to make a successful Doha Round.

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On attempt to expel Tamils from Colombo, Sri Lanka:

21. I have been sharing my anxieties about the situation with important world leaders. Let me say that the recent act to expel, I think, citizens belonging to a particular minority in Colombo has pained me. I hope, I think, better sense will prevail among all concerned. These are not civilized ways of dealing with them. I understand the difficulties concerned but the Human Rights of citizens should not be violated. But at the same time, I am told that it has been stayed by their Supreme Court. I share the concern.



029. Press Release of the Ministry of External Affairs on the adoption of a resolution on 'International Day of Non-Violence' at the UN General Assembly to be observed every year on the birthday of Mahatma Gandhi, October 2.

New York, June 15, 2007.

The United Nations General Assembly has today unanimously adopted a resolution on 'International Day of Non-Violence' piloted by India with the co-sponsorship of 142 countries to annually observe and celebrate Mahatma Gandhi's birthday, October 2, as the International Day of Non-Violence. Addressing at the UN General Assembly [UNGA] Plenary, Hon'ble Shri Anand Sharma, Indian Minister of State for External Affairs, thanked all the UN Member States for their support to the resolution. This important decision, he said, reflected the respect that Mahatma Gandhi commanded universally and the enduring relevance of his humane philosophy. The adoption of the resolution, he added, highlights the holistic nature and the continued relevance of the Mahatma's message for our times, indeed for all times to come. The Minister also pointed out that it encompassed the rejection of violence against oneself, against others, against other groups, against other societies and against nature.

The idea of promoting such a resolution originated from the Declaration adopted at the international conference on "Peace, Non-Violence and Empowerment - Gandhian Philosophy in the 21st Century" convened in New Delhi in January this year to commemorate the centenary of the Satyagraha Movement launched by Mahatma Gandhi in South Africa. Attended by 91 countries and 122 organisations besides many eminent personalities, including philosophers and Nobel laureates, the participants in that Conference solemnly vowed to nurture the values espoused by Mahatma Gandhi and articulated the collective yearning for a new way forward to address the problems of hunger and dehumanising poverty, which continue to plague humanity, to build a just and equitable world where people live with dignity and in peace and harmony with each other in diverse and pluralistic societies.

Through this resolution, all Member States, the UN system, regional and non-governmental organisations have been invited to commemorate this day in an appropriate manner and disseminate the message of non-violence, including through education and public awareness. It also requests the UN Secretary-General to recommend ways to assist Member States in

organising activities to commemorate the Day, to take necessary measures to observe the Day by the UN system and to keep the 63rd session of the UNGA informed about the implementation within the UN system of the present resolution as regards the observance of the International Day of Non-Violence.



030. Statement by Minister of State Anand Sharma introducing the draft resolution on "International Day of Non-Violence" at the 61st session of the United Nations General Assembly.

New York, June 15, 2007.

Madam Chairperson,

I have the honour to introduce, under Agenda Item 44, the draft resolution contained in document A/61/L.62, entitled "International Day of Non-Violence". Apart from the 114 co-sponsors named in the L.62 document, I have the pleasure to inform that a further 23 Member States (listed in the Annexure to this Statement) have also joined as co-sponsors, giving this draft resolution a total of 137 co-sponsors.

Madam Chairperson,

The idea of promoting such a resolution originated from the Declaration adopted at the international conference on "Peace, Non-Violence and Empowerment - Gandhian Philosophy in the 21st Century" convened in New Delhi in January this year to commemorate the centenary of the Satyagraha Movement launched by Mahatma Gandhi in South Africa. Attended by representative leadership delegations of 91 countries and 122 organisations besides many eminent personalities, including philosophers and Nobel laureates, the participants in that Conference solemnly vowed to nurture the values espoused by Mahatma Gandhi and articulated the collective yearning for a new way forward to address the problems of hunger and dehumanising poverty, which continue to plague humanity, to build a just and equitable world where people live with dignity and in peace and harmony with each other in diverse and pluralistic societies.

Madam Chairperson,

The wide and diverse co-sponsorship of this draft resolution reflects the universal respect that Mahatma Gandhi commands and the enduring relevance of his humane philosophy. In his own words, "Non-violence is the greatest force at the disposal of mankind. It is mightier than the mightiest weapon of destruction devised by the ingenuity of man". His "novel mode of mass mobilisation and non-violent action" brought down colonialism, strengthened the roots of popular sovereignty, of civil, political and economic rights, and greatly influenced many a freedom struggle and inspired leaders like Badshah Khan, Nelson Mandela, Martin Luther King Jr. and many others.

This draft resolution seeks to declare Mahatma Gandhi's birth anniversary, October 2, as the International Day of Non-Violence. By doing so, we would be highlighting the holistic nature and the continued relevance of the Mahatma's message for our times, indeed for all times to come. It encompasses the rejection of violence against oneself, against others, against other groups, against other societies and against nature. Non violence, in his own words, "has no room for cowardice or even weakness". It also "necessitates complete abstention from exploitation in any form".

Madam Chairperson,

The draft resolution before the General Assembly is simple but significant. Tabled under the agenda item 'Culture of Peace', it reaffirms in its preambular paragraphs the universal relevance of the principle of non-violence and seeks to secure a culture of peace, tolerance, understanding and non-violence. Vide its first Operative Paragraph it decides to observe and celebrate October 2 every year as the International Day of Non-Violence. Its second Operative paragraph invites all Member States, the UN system, regional and non-governmental organisations, to commemorate the day in an appropriate manner and disseminate the message of non-violence, including through education and public awareness. It also requests the UN Secretary-General to recommend ways to assist Member States in organising activities to commemorate the Day, to take necessary measures to observe the Day by the UN system, and to keep the 63rd session of the UN General Assembly informed about the implementation within the UN system of the present resolution as regards the observance of the International Day of Non-Violence.

Madam Chairperson,

Promoting the principle of non-violence in such a focussed manner would, it is hoped, significantly contribute to the realisation of the goals set out in the 1999 UN Declaration and Programme of Action on a Culture of Peace. The designation of October 2 as "International Day of Non-Violence" would also advance the implementation of the goals of the International Decade for Culture of Peace and Non-Violence for the Children of the World [2001-2010]. Madam Chairperson, While concluding, I would like to thank each and every one of our co-sponsors and supporters for helping us pilot this resolution at the UN General Assembly. It is also the hope of the co-sponsors that this draft resolution would be adopted without a vote.

Thank you, Madam Chairperson.



031. Remarks by External Affairs Minister Pranab Mukherjee while releasing the 12th Volume of Netaji Subhash Chandra Bose's Collected Works at a function in Singapore.

Singapore, June 19, 2007.

I am very pleased to be able to release the 12th volume of Netaji's Collected Works today. The period covered by this volume is 1943-45 and it is particularly appropriate that the release of this volume takes place in Singapore, where Netaji spent those years. At the outset, I would like to express my deep appreciation to Prof. Sugata Bose who has edited the Collected Works. I join him in mourning the absence of Dr. Sisir Kumar Bose, his co-editor and Netaji's nephew. I am sure that he is with us in spirit today. I would also like to thank the Institute of Southeast Asian Studies and the Singapore Indian Association for their initiative in organising this function in Singapore.

In perusing this volume, a number of thoughts cross our minds in respect of Netaji himself, the historical significance of the struggle that he led, and the long-term impact of ideas that he so effectively articulated. The period 1943-45, as you are all well aware, represents the zenith of his endeavours. This volume, in fact, covers many of his key speeches and exhortations.

We see the different dimensions of Netaji - as a political leader, as a military strategist, as an analyst of his contemporary global scene, and above all, as a humanist who connected so uniquely with those beside him. Many of the speeches and writings are of an emotional nature, which can move a reader even six decades later. But there are others as well, which reflect Netaji's deep analysis and perceptive thoughts about India and its future. On the occasion of this release, it would probably be most appropriate to dwell on the contemporary relevance of Netaji and his message.

To my mind, the most immediate lesson that we can draw from Netaji's life and his endeavours is an understanding of the importance of the external environment in shaping national destinies. It is by now widely recognised that the collapse of the British Empire came about as a consequence of political, military and social developments in which Netaji played such a leading role. The British may have won the war in 1945, but in the process of doing so, were compelled to accept fundamental changes in how the system was run, which made the empire untenable by 1946. In his special message on 15 August 1945, Netaji had expressed confidence that "There is no power on earth that can keep India enslaved. India shall be free and before long." If within two years to that very day India attained independence, it was because Netaji leveraged a global situation to mount enormous pressure on the colonial regime. International politics offers both opportunities and risks, as much today as it did 60 years ago. Netaji demonstrated a boldness of vision and action that had great consequences for India's freedom. Today, in a very different environment, India debates the linkage between the international system and our domestic processes of change. We can draw strength and confidence from Netaji's policies as we engage the world more intensively.

The impact of Netaji on Singapore specifically and Southeast Asia more broadly was dramatic. He infused courage and determination among those who were willing to resist colonialism. His very presence provided greater confidence and self-respect to communities that had earlier simply accepted their fate. He was not just a leader of the Indian National Movement but a dominant personality in a larger anti-colonial surge that spread through the entire region. His impact on national movements in Myanmar, Malaysia and Indonesia is indisputable. If you read or re-read some of his addresses to a larger audience in this volume, the broadness of his vision and the generosity of his temperament come through very strongly. We in India are currently engaged in reconnecting the country with Southeast Asia and East Asia. This is the kernel of our "Look East" policy, which is expressed

in many dimensions and facets. To be successful, we have to draw upon the legacies of history. This may go back to the Nalanda era or the Chola period. But in its more contemporary manifestation, there is no more powerful symbol of India's brotherhood with the nations east of us than Netaji. I am sure that in the times ahead, there will be still greater appreciation of his contribution to shaping the post-War developments in this region.

In November 1944, Netaji gave a lecture in Tokyo on "The Fundamental Problems of India." It is covered in this volume and I would particularly commend that lecture to the attention of those who may not have read it before. In this speech, Netaji dispels many colonial myths about India. He does so with pride but without jingoism. He analyses the impact of other national movements on India, which buttresses the point I made earlier about his internationalist approach. Netaji also attempts what he calls a sociological analysis of modern India. He differs with Mahatma Gandhi on many issues, but does so with respect and without rancour. But the most interesting element of his talk is what he outlines as the key priorities that would have to be addressed by modern India - self-defence, poverty and unemployment and the problem of education. These are exactly the issues that we in India are grappling with in our current reforms.

In a national movement that was driven by secularism, Netaji was probably the most secular of its leaders. His commands, directives and speeches, particularly of the INA period, convey that commitment in the strongest terms. The congruence between true nationalism and secularism - which Netaji embodied - is a principle that India can neglect only at its own cost. Whether it was his choice of language, his selection of symbols, or his preference for companions, Netaji taught us that India's unity was truly in its diversity. That lesson will always be a key to our progress.

Before I came here for the book release, I visited the site where the INA Memorial once stood in Singapore. It was a poignant moment. A full appreciation of the historical significance of Netaji and his life is still underway. But I believe that this series of his Collected Works will do much to make that possible. I would, once again, like to express my appreciation to the organisers of this event. Thank you.



032. Speech by External Affairs Minister and Chairman of the ISI Council Pranab Mukherjee at the 114th Birth Anniversary celebrations of Professor P.C. Mahalanobis.

New Delhi, June 29, 2007.

Professor Deb Kumar Bose, friends:

The 114th birth anniversary of Professor Prasanta Chandra Mahalanobis is being organised today jointly by the ISI Administration, ISI Workers' Organisation, and ISI Club as the Workers' Day. This year, the programme has attained special significance as it is taking place in the midst of the Platinum Jubilee celebrations of ISI. In response to the request of the Institute, Dr. Manmohan Singh, Hon'ble Prime Minister of India, has already declared that from this year onwards, the birthday of Professor Mahalanobis will be celebrated as the "Statistics Day" in the country.

While paying my homage to Professor P.C. Mahalanobis, I would like to bring into focus certain salient aspects of his life and work, which pivoted around the growth and flowering of the Indian Statistical Institute. During his speech at the inaugural meeting of the Silver Jubilee celebrations of the Institute held on 17 December 1956, Professor Mahalanobis touched on a sensitive and significant issue; I quote: "I should like to touch very briefly on one aspect of the Institute's relation with Government, which has been under consideration for twenty years. We have continually pressed on Government the need of giving the Institute full freedom and autonomy in internal management. We are a non-government but public institution; and, so far, we have tried to discharge our public responsibilities not as a Government department but as an independent institution. I am myself convinced that this is desirable not so much in the interest of the Institute itself but of the country as a whole. In fact, converting the Institute into a Government department would relieve us of much worry, because things will go on somehow, but there would be the danger of losing the initiative. Therefore, I think it is important in the best interests of the country that we should continue to function as an independent public institution. I am glad to say this has been accepted in principle, and we are hoping that fairly soon it would be recognized through Parliamentary action. But it is the other side of this responsibility, which I should like to impress on my colleagues. If we claim a certain amount of freedom of action, then we must also shoulder a certain amount of responsibility, that is, we must see that our work from within is maintained at a high level of efficiency and, secondly, that we retain our

initiative --- the initiative to direct our efforts, our united endeavour, towards solving either scientific problems or problems of national development, which will be continually facing us in India". Unquote.

The remarkable achievements of the Institute, under the leadership of Professor Mahalanobis, in theoretical and applied statistical work and, particularly, in the formulation of the draft Second Five-Year Plan, motivated the Government of India to recognize ISI as an 'institution of national importance' by the enactment of the ISI Act of Parliament, which was steered by Pandit Jawaharlal Nehru in 1959. Thereafter, the Government of India began to extend almost total financial assistance to the Plan and non-Plan activities of ISI along with the concomitant reciprocity of accountability on the part of the Institute. In the process, it was ensured that the basic autonomous character of ISI as a learned society, registered under the West Bengal Societies' Registration Act, would remain undisturbed.

As regards the planning for national development, the closeness of Professor Mahalanobis with Pandit Jawaharlal Nehru can be traced to 1940, when they had the occasion to begin in-depth discussion. In one of his writings, Professor Mahalanobis notes that, after a particular day's work was over, he and Pandit Nehru started talking and continued well after dinner till past two in the morning. During the Silver Jubilee celebrations of the Institute, Pandit Jawaharlal Nehru sent a message to Professor Mahalanobis, which Shri C.D. Deshmukh, the President of the Institute, read out in the meeting held on 17th December, 1956. Pandit Nehru said, and I quote: "The Indian Statistical Institute has gained a reputation for itself not only in India but in every country where statistics are studied. It has grown in recent years and has performed important functions in connection with our planning work. Indeed, it is an essential part now of our planning organization. On the occasion of its Silver Jubilee, I send it all my good wishes". Unquote.

In India, statistics came to centre stage in national life through sample surveys consistently conducted since the 1930s by Professor Mahalanobis and his colleagues in ISI in order to understand complex problems of national development and social welfare.

This involvement was enhanced when, after independence, Professor Mahalanobis was appointed honorary Statistical Adviser to the Cabinet. In 1950, through his initiative, the National Sample Survey was undertaken for carrying out a socio-economic survey of all-India coverage on a continuing basis. This provided the Central Government, for the first time,

with a database for various developmental programmes, particularly in respect of the Five-Year Plans of the country. In 1951, the Central Statistical Organization (CSO) was set up under the initiative of Professor Mahalanobis. In 1954, Prime Minister Jawaharlal Nehru entrusted him and his colleagues in the Institute with the responsibility of preparation of the draft Second Five-Year Plan of the country.

During one of my many visits to the P.C. Mahalanobis Memorial Museum and Archives in 'Amrapali' in the premises of the Institute, I came across a rare monograph written by Professor Mahalanobis on his first impressions of a visit to China in 1957. It is well known that, after the Bandung Conference, Chou En-lai, then Prime Minister of China, came to India and visited ISI and cordially invited Professor Mahalanobis to China. I learnt from the monograph that, shortly thereafter, Professor Mahalanobis went to China and, as requested by Chou En-lai, gave his erudite views on how to implement large-scale sample survey for enriching the planning process in China. This appears to me to be a telling example when the founder of this Institute, who is also regarded as the father of statistical science in India, was reaching out to a major neighbouring country to explain the implications of the deep connection between statistics and national planning.

During the period of the Cold War, Professor Mahalanobis was perhaps the only Indian scientist who was equally welcome in the USA and USSR as well as in China and Japan. Lyndon Johnson, then Vice-President of USA, accompanied by Professor Galbraith, interacted with Professor Mahalanobis. Legendary figures like Ho Chi Minh, Che Guevara and Alexei Kosygin also visited this Institute. Professor Mahalanobis engaged, on an equal footing, these front-ranking statesmen belonging to different political ideologies. This should be a noteworthy precedent, which could have some relevance in the midst of the present cross-currents of globalization. Today, after 60 years of independence, India is self-reliant enough to feel comfortable in engaging with all countries on an equal footing.

Professor Mahalanobis had pointed out, in his well-known speech delivered to the American Statistical Association on 27 November, 1964 under the title 'Statistics as a Key Technology', that "it is not difficult to see what is wrong with official statistics in India. ... There is lack of appreciation of the need of cross-examining the data which is the first responsibility of a statistician". Unfortunately "anything which is supplied or published by a Government office is accepted as reliable. To have any doubt would be a challenge to established authority. The very idea of having cross-checks is

frightening as conflicting results arising from independent checks would be 'confusing' and must be resisted and is being resisted even today. In this situation the statistical servicing is bound to remain weak in spite of a great deal of knowledge of theoretical statistics". Unquote. Sir Ronald Fisher, while delivering his memorable speech in ISI on the occasion of the opening of the main building of the Institute on 28 December, 1951, had earlier dealt with the same problem:

"It is the organic unity of theory and practice that has given the Institute its unique status at the present time. In the course of national planning, such an institution may be either used or wasted. It will be wasted if planning consists of a dull conformity to a blue print of ready-made and foreign conception. It can only be used if planning can recognize the aptitude of this spontaneous growth (of ISI) as a national resource peculiarly fitted to the current changes of the modern world". Unquote.

The constructive participation of ISI in matters relating to national policies should be restored at the Government level, both at the Centre and in the States, particularly in the context of the recent amendments of the Indian Constitution, which have ushered in a process of decentralization with emphasis on social justice. This requirement has been stressed by the Third ISI Review Committee, as the Report of the Review Committee noted that "it is important for the Institute to keep in view its relevance in the programme of national development and decentralized planning with social justice. This also would require formulation of suitable projects for investigation... A suitable body is needed for this purpose, with members in it who are given to keeping themselves acquainted with national issues and are experienced in concretizing long-term plans. They would need to have interest in such developments like the report given by the National Statistical Commission and obtaining inputs from the central and the state planning bodies". The Third ISI Review Committee further recommended that "ISI should play a major role in upgrading the quality of data generated by the various Ministries of the Government of India and the State Governments and the development of sample survey methodology, by updating and innovating the techniques of data collection and imparting training in statistical methods to key personnel in their organizations".

While ISI should systematically take up these important tasks, it should be kept in mind that, in the context of a composite discourse to be sustained between the Government and the Institute, we should encourage the ISI's cherished tradition of free questioning spirit. We have recently formulated

the Vision Document of the Institute through deliberations in the ISI Council. We have sought to strike a judicious balance between individual academic work on truly fundamental problems and work that is directed towards a greater engagement with the social and economic problems facing the country. The ISI Council has also deliberated on the formulation of the Perspective Plan of the Institute for the coming 10 years. There we have envisaged uplifting the present Giridih Branch of the Institute to the level of a Centre in Jharkhand and have recommended the creation of a Centre at Chennai utilising our base of SQC & OR Unit already functioning there.

Obviously, we have miles to go. But in our journey, the basic philosophy of Professor Mahalanobis to perceive statistics as a 'key technology' for interdisciplinary research, in the broader context of planning for national development and social welfare, shall continue to be our guide to action.

Thank you.



033. The Admiral A. K Chatterjee Memorial Lecture by External Affairs Minister Pranab Mukherjee on "International Relations and Maritime Affairs - Strategic Imperatives".

Kolkata, June 30. 2007.

President, Navy Foundation, Kolkata, Rear Admiral Parlikar, Chief of Naval Staff, Admiral Mehta, Distinguished Officers of the Armed Forces, Ladies and gentlemen:

It is always a pleasure to be here in Kolkata, a city that has a long and well-deserved tradition of being the intellectual capital of India. Speaking for myself, it is, naturally, always good to be on home ground. However, I am especially pleased to be here today to speak on a subject that is not only of academic or intellectual interest, but also one that is vital to India's security and the sustenance of her economic development.

I am also particularly gratified at having the opportunity of delivering this lecture in the memory of the late Admiral A.K. Chatterjee. The state of affairs today with regard to the Indian maritime scenario in general and the capabilities of the Indian Navy in particular would have been a source of great joy and pride for someone like Admiral Chatterjee, who was so closely associated with many firsts in the Indian Navy.

As has been noted, Admiral Chatterjee was the first 4-star Admiral of the Indian Navy, an honour he was bestowed with following the induction into the Navy of India's first Aircraft Carrier, the INS Vikrant, which happened during his tenure as the Flag Officer Commanding Indian Fleet. He was also involved with the preparation of plans for both Naval Aviation as well as the Navy's submarine capability. In particular, he played a key role in the creation of the Navy's submarine arm and was closely associated with the induction of the INS Kalvari, India's first submarine, into the fleet. Indeed, on the day of INS Kalvari's arrival in Vishakhapatnam port on 6 July, 1968, Admiral Chatterjee was on hand to welcome it. On the same day, he also laid the foundation of the submarine base building in Vishakhapatnam. The institution of this lecture series in his memory is, therefore, a befitting tribute to a great leader, planner and hero of the Indian Navy.

The simple geographical fact that two thirds of the surface of our planet is covered with water gives rise to a peculiarly intimate relationship between international relations and maritime affairs. Yet, for far too many centuries of our history has India either neglected or devoted insufficient attention to this relationship. Fortunately, after almost a millennia of inward and landward focus, we are once again turning our gaze outwards and seawards, which is the natural direction of view for a nation seeking to re-establish itself not simply as a continental power, but even more so as a 'maritime' power - and, consequently, as one that is of significance upon the global stage.

Modern India is fortunate to have inherited a maritime heritage that is rich and diverse, dating back to 3,500 BC. It is a matter of simple and incontestable historical record that, as a civilisational entity, ancient India enjoyed active trade-links with Africa, Arabia, and Mesopotamia, the empires of ancient Persia, Greece, Rome, and China, and a number of kingdoms in Southeast Asia, including present-day Myanmar, Thailand, Malaysia, Indonesia, Vietnam, Cambodia, and Laos. Then - as now - the wide-ranging nature of this seaborne trade required the assurance of a complex and well-developed maritime strategy. Indeed, from antiquity up to the end of the 12th Century, several Indian kingdoms - especially those in the peninsula - possessed significant sea-going navies of their own.

And yet, although the maritime tradition of India certainly did manifest itself as an overseas presence, this was not a 'Territorial' but rather, a 'Cultural' and 'Civilisational' presence. This historical tradition survives to this very day. It underscores our oft-stated assertion that India has no territorial ambitions and no desire to establish any form of regional or extra-regional

hegemony. However, the absence of hegemonistic intent ought not to imply any neglect of security, for it was only when the Indian ruling elites forgot the imperatives of maritime security that ancient and medieval India's dominance of world trade was lost.

The realisation that this gross neglect of maritime security eventually led to the colonisation of the sub-continent and the consequent loss of India's very independence for nearly three centuries should make a repetition of this strategic error utterly unaffordable. These harsh lessons of history are not lost upon the modern, independent republic that is India.

'Maritime power', in its true sense, is military, political, and economic power, exerted through an ability to use the sea or deny its use to others. It has traditionally been employed to control 'use-of-the-sea' activities undertaken by States for their general economic welfare and, often, even for their very survival. Maritime power and naval power are not synonymous, the latter being a sub-set of the former. Indeed, India's maritime power includes a host of factors that are external to the navy, such as :- (i) the degree of our dependence upon the sea for our economic well-being; (ii) the maritime bent of mind of the government and of the people; (iii) the size and enterprise of the sea-faring population; (iv) our ship-building capability; (v) the size, age, and condition of our merchant fleet - both coastal, and foreign-going; (vi) the percentage of our imports and exports being carried by ships flying our national flag - as opposed to foreign flags, or flags of convenience; (vii) the number, types, and functional efficiency of our major and minor ports (viii) the infrastructure for multi-modal transport of sea-borne goods; and (ix) the state, size, and technological advancement of the coastal and deep-sea fishing fleets - and their geographic spread.

Lest you are led by this argument to assume that our Navy is peripheral to our maritime strategy, I must point out that within the larger maritime canvas, it is our nation's military maritime power -as embodied by the Indian Navy, supported by the Indian Coast Guard, - that is the enabling instrument that allows all the other components of maritime power to be exercised. It is these 'enabling' functions that provide centrality to the Indian Navy within the country's overall maritime strategy and allow it to act as a versatile and effective instrument of our foreign policy.

It is axiomatic that our maritime strategy can only be conceived in a 'maritime environment', which differs in a number of ways from the more familiar 'land environment'. In the first instance, the natural geo-political condition of the land is to be politically controlled. With the significant exception of

Antarctica, nearly all the landmasses of the world today have been politically organised by sovereign States. In sharp contrast, the natural condition of the sea is to be politically uncontrolled. Unlike the case with land, nation-states seek to 'use' the sea only for a specific purpose and only for a finite period of time. Consequently, armies most often have 'occupation' or 'eviction' goals, while Navies have 'use' or 'denial-of-use' goals.

Secondly, just as a coherent land-based strategy must maintain a close relationship to national laws and regulations, an effective maritime strategy must recognise and retain the intimacy and comprehensiveness of its relationship with International Law. This is because the oceans are an international highway, where ships of all nations ply. Thus, International Law makes it perfectly legal for ships to close the coast of another nation to as little as 12 nautical miles, which is the maximum breadth of any nation's territorial waters. Even within this 12 nautical mile belt, all ships enjoy rights of 'Innocent Passage' as long as their movement and activities are not prejudicial to the interests of the State whose waters they are traversing.

Thirdly, maritime strategy forces us to re-think the nuances of geopolitically fundamental terms such as 'borders'. In fact, for the 'land strategist', there is no border between India and, say, Oman. For the 'maritime strategist', however, there very much is, because the medium of the sea transforms every nation which has a coast-line into a "neighbouring" or a "bordering" country!

In this context, let me give a brief overview of the characteristics of our maritime environment. India's geographical location - at the natural junction of the busy International Shipping Lanes that criss-cross the Indian Ocean - has a major impact upon the formulation of her maritime strategy in support of the pursuit of her national interests. You are, doubtless, aware that in terms of shipping density, the sea area around India is one of the busiest waterways of the world, with over one-hundred-thousand ships transiting the International Shipping Lanes of this region every year. The Straits of Malacca alone account for some sixty-thousand ships annually. India itself has a 7,516 kilometre-long coastline and several far flung island territories. These include the 27 islands of the Lakshadweep chain on our western seaboard and the 572 islands of the Andaman & Nicobar chain to the east. It is of note that the southernmost island of Great Nicobar is only 90 nautical miles from Indonesia, while the northernmost tip of the Andaman is less than 9 nautical miles from Myanmar.

The 13 major and 185 minor ports that mark our coastline constitute the landward-ends of the country's sea-lines of communication. The development of additional ports is a high-priority activity and is taking place all along the western and eastern seabords of the country. The decade that is now upon us will see a mega change in the pace of development of Indian ports and harbours and add further value to what is already a critical national maritime interest. In fact, in the furtherance of this interest, India was one of only two countries of the Indian Ocean Region that became fully compliant with the provisions of the International Ship and Port Security Code by the stipulated deadline of 01 July 2004, the other being Singapore. Flowing from and to these ports is the country's maritime trade and the merchantmen that embody it. Though India's share of global trade is still quite small, it is growing steadily. We have a modest, but rapidly-growing, merchant-shipping fleet, presently comprising 756 ships and totalling 8.6 million 'Gross Registered Tonnes', with an average age of around 17 years as compared to the global average of 20 years.

In terms of foreign trade, as much as 90% by volume and 77% by value transits over the seas. Ensuring the safety and freedom of this seaborne trade of ours is, consequently, a major strategic maritime imperative. More and more of our trade is now with the dynamic economies of the Indian Ocean Region and East Asia. In fact, there have been significant changes in India's direction of external trade over the past decade-and-a-half. The UAE is today India's largest export partner. China is emerging as among India's largest trading partners and trade with South Africa, Singapore, Malaysia and Indonesia, too, is extremely significant. In fact, our trade with the countries to our East is now vital to our economic well-being and this, among other things, underscores the growing centrality of the Straits of Malacca.

After trade, the next strategic maritime imperative is energy security. Of all the cargo that moves along the international shipping lanes of the Indian Ocean, perhaps the most critical is energy, as defined by petroleum and petroleum-products. Almost 1,000 million tonnes of oil from West Asia passes close to our shores annually. Some part of this is, of course, destined for our own ports, to feed the increasing demand for energy to fuel our current economic growth. A much greater proportion, however, is destined for the oil-intensive economies of the USA, China and Japan. Today, in fact, almost 45% of all new world oil demand is attributable to the rising energy-needs of China. Over 70% of China's oil imports come from West Asia and Africa and all of this is transported by sea. We see the Indian

Navy and the Indian Coast Guard as major stabilising forces in this great movement of energy across the Indian Ocean, not just for India, but for the world at large.

Our Exclusive Economic Zone, which is set to increase to 2.54 million sq km shortly, is a repository of abundant living and non-living resources. It has enabled India to mitigate, to some extent, her dependence upon foreign sources of energy by way of crude oil, natural gas, and liquid petroleum gas, with about 20% of India's overall petroleum demand being met by offshore production. Upstream activities, such as exploration and production, are now being undertaken in ever deeper waters, and efforts are underway to exploit fairly promising discoveries in the vicinity of the Andaman and Nicobar Islands. Any disruption of these activities would impose a cost on our economy that would be adverse in the extreme, and consequently, our foreign and security policy has to ensure that such disruptions are not allowed to occur.

Another major national maritime interest that shapes our maritime strategy including its international law dimension is under-sea mineral resources. At present, India imports nearly all its needs of cobalt and nickel and some 60% of its requirements of copper. Consequently, the plentiful under-sea resources of these scarce minerals in the form of polymetallic nodules form an important national interest. India has been recognised by the United Nations as a pioneer investor in deep sea mining and has been allotted a mining area of some 150,000 square kilometres in the central Indian Ocean. She thus keeps company with such technologically advanced nations as the USA, France and Japan. It is important to note that this mining site is well outside our EEZ. In fact, it is over 1,000 nautical miles - that is, some 1,850 kilometres - from the southern-most tip of the Indian mainland. If we consider Mumbai to be the main port of India, then we are talking about distances in excess of 3,000 kilometres. It would be readily appreciated that our maritime force levels need to be structured accordingly to provide sustained-reach, sea-keeping ability, passage-endurance and staying power.

Because it is so far away and a subject of much romanticism, the importance of Antarctica as a major maritime interest of India is very often underestimated by policy-makers. In actual fact, not only is Antarctica vitally important for the environment, it is a treasure house of potential mineral resources, including petroleum. Moreover, it is an enormous marine storehouse of the foundation of the human food chain, thanks to its abundant holdings of krill. Finally, and this is of the most immediate and continuing importance to India: Antarctica determines, in significant measure, the Indian

monsoon - upon which our agriculture, and hence our economy, depends. In this context, we were privileged to host the 30th Antarctic Treaty Consultative Mechanism meeting in New Delhi recently and we continue to be actively engaged in international cooperative activities on preserving Antarctica as a unique and common heritage of mankind.

It would, by now, be obvious that the primary area of Indian maritime interest ranges from the Persian Gulf in the north, to Antarctica in the South, and from the Cape of Good Hope and the East Coast of Africa in the west, to the Straits of Malacca and the archipelagos of Malaysia and Indonesia in the east. It would be equally obvious that as India's economy and her international role grows, the area of this benign but active engagement will also grow. You only have to look at the investments ONGC Videsh is making in extra-regional but energy-rich areas such as Sakhalin, Sudan, Nigeria and Venezuela to realize how our maritime interests are growing and defining gradually an area beyond the primary one.

I have given you a broad overview of the strategic imperatives that are shaping India's maritime perspective. If there is one word that defines our current approach to the international dimension of this perspective, it is "engagement", an engagement that is both active and constructive. We are engaged with a number of nations, including major maritime powers such as US, Russia, France, UK and Japan, in addressing the complex maritime security challenges of the day. Our maritime diplomacy, like our broader diplomatic effort, radiates out in expanding circles of engagement, starting with India's immediate maritime neighbourhood. As a mature and responsible maritime power, we are contributing actively to capacity building and operational coordination to address threats from non-state actors, disaster relief, support to UN peacekeeping and rescue and extrication missions. To quote an example, in April last year, the Indian Navy undertook Op SUKHOON to evacuate 2,280 persons from Lebanon. They included not only Indian nationals but also nationals of Sri Lanka, Nepal, Lebanon, and even the odd Greek! Even while Op SUKHOON was at its peak, other ships of our Navy were simultaneously providing help and succour to the earthquake-stricken victims of Indonesia. This simultaneity and comprehensiveness of each of these operations, widely dispersed in geographical terms, demonstrate our maritime reach and versatility.

An important aspect of our maritime engagement is the creation and sustenance of international cooperation for the speedy, effective and humane application of maritime power for regional Humanitarian Assistance

and Disaster Relief operations. It took the terrible Tsunami of 2004 to drive this home with such telling effect. With the more recent example of the Yogyakarta earthquake in Indonesia, the criticality of working towards multilateral interoperability at every stage bears no repetition. This is the aim of some of the recent multinational and bilateral exercises that the navy has undertaken, including the exercise in the Sea of Japan with the US and Japan. In fact, maritime diplomacy is now an essential component of our 'Look East' policy. We have concluded bilateral arrangements with Thailand and Indonesia for joint coordinated patrols by the three navies in the Bay of Bengal at the mouth of the Malacca Straits. We are also ready to contribute to capacity building of the Littoral States in maritime security. Southeast Asian navies participate in the bi-annual MILAN exercises. Our cross border development projects with our ASEAN neighbours also have a maritime dimension. For example, the Kaladan Multi-Modal Transit Transport Facility envisages connectivity between Indian ports on the eastern seaboard and Sittwe Port in Myanmar, thereby providing an alternate route for transport of goods to North-East India.

At the multilateral level and within the maritime domain, we have launched a series of initiatives to provide an inclusive and mutually-consultative forum in which the navies and maritime security agencies of the region - whether large or small - can meet and discuss common issues that bear upon international security. Amongst these initiatives is the Indian Ocean Naval Symposium - IONS - which is being nurtured under the aegis of the Indian Navy and which will be formally launched through an international seminar planned in New Delhi in February 2008. The dialogue in the ASEAN Regional Forum, of which India has been a member since 1996, now includes regular discussions on maritime security issues.

Having elaborated our national maritime strategic interests and their international dimensions, I want to touch on a longer-term shift before concluding. The huge energy-resources of the Indian Ocean Region, the economic and demographic dynamism of countries such as India, China and Vietnam as well as their growing economic importance to the established Asia-Pacific maritime powers, such as the US and Japan, are driving particularly strong maritime connectivities between the Indian and the Pacific Oceans. Indeed the conventional limits of geographic regions are getting increasingly blurred. For example, until recently, East Asia essentially consisted of the Pacific littoral of mainland Asia and the islands of Japan, Taiwan and the Philippines. Post-Cold War, as a 'strategic' construct, more than a 'political' or 'economic' one, ASEAN countries were incorporated into

the 'definition' of East Asia. In April 2005, the ASEAN Foreign Ministers invited India, Australia and New Zealand to attend the inaugural East Asia Summit, thus widening the ambit of this strategic construct.

India is fully alive to this shift and the need to manage it not only in a non-disruptive manner, but in a synergistic one as well. Pessimists would look for seeds of conflict or at least balance of power scenarios in this oceanic shift. I for one see it as a potential stabilizer, an enabler of greater prosperity, and as another keystone in the edifice of global interdependence. India, with its growing capabilities and confidence, and its history of benign and active international engagement, is ready to contribute its maritime might to ensure such a positive outcome.

Thank you for your attention.



034. Briefing Points by Official Spokesperson on the meeting of the Consultative Committee of Parliament on External Affairs.

New Delhi, July 18, 2007.

The External Affairs Minister, Shri Pranab Mukherjee, chaired the meeting of the Consultative Committee on External Affairs on July 18. The meeting discussed the following two issues:

1. Progress under SAARC
 2. India's partnership with African countries.
- The External Affairs Minister briefed the Members on the developments in SAARC, in particular, the successful 14th SAARC Summit at New Delhi from April 3-4, which, for the first time, saw the expansion of the forum to eight Members (Afghanistan) and attendance by five observer countries. EAM also briefed the Members on the two important agreements signed during SAARC Summit - establishment of the SAARC food bank and South Asian University. EAM also spoke about the other initiatives within SAARC including India's offer to take up asymmetrical responsibilities including unilateral measures to liberalize trade, visa, tourism, etc. The theme

of physical, economic and people-to-people connectivity was also underlined by EAM.

- EAM also briefed the Members on India's partnership with African countries including initiatives taken in the field of technical cooperation, human resource development, investment, trade including credit lines, peacekeeping operations and support for NEPAD. EAM also spoke about the progress in implementation by India of a PAN-African e-Network project. Several Committee Members expressed their appreciation of these initiatives.
- The discussions on the two subjects would be continued at the next Consultative Committee meeting.



035. Opening Remarks by Minister of State E. Ahamed at the special function introducing Machine Readable Passport (MRP) booklet (64 pages).

New Delhi, July 21, 2007.

Shri Anant Kumarji, Honorable Member of Parliament, Shri Narayan Murthyji, Chairman, Infosys Technologies, Dear Friends from the Media, Ladies and Gentlemen,

I am pleased to be here today in connection with the inauguration of Machine Readable Passport services for jumbo booklets, a long felt need of the public. This service has been made available in the first place at the Passport Offices in Bangalore, Ahmedabad, Chennai, Delhi, Hyderabad, Kolkata and Mumbai. It will be subsequently extended to all Passport Offices.

2. The new 64-page jumbo booklet which is machine-printed and machine-readable conforms to the international specifications. This new measure is expected to be of immense help to frequent travelers including corporate executives, businessmen, sportsmen and airlines officials. I am sure people of Karnataka, particularly software professionals and businessmen in Bangalore will make full use of the new jumbo booklet.

3. With India's rising international profile, fast growing economy and our increasing integration with the global economy, the number of Indians traveling abroad has recorded a phenomenal growth in the recent years. This in turn has led to a rapid increase in the demand for passport services among the applicants. We issued more than 44 lakhs passports in 2006 and the number is expected to touch 50 lakhs this year. The Central Passport Organization and its employees have risen to this challenge despite constraints of inadequate staff in some Passport Offices. The Ministry is making all efforts to clear the pending applications in Passport Offices.
4. Allow me to point out that, RPO Bangalore provides passport services for the entire state of Karnataka, with a population of approximately 5.6 crores. The total number of passport services rendered by RPO Bangalore in 2006 was more than 3.1 lakhs, an increase of more than 40% over the figures for 2005. The increased demand for passports is likely to continue in view of Bangalore's rapid growth as an IT destination. We are actively considering further streamlining of the issuance process and augmenting the manpower and infrastructure of RPO Bangalore to cater to this increased demand.
5. With a view to decentralizing the issuance process and bringing the passport services closer to the doorsteps of the applicants, applications are also accepted at approximately 450 District Passport Centres and 1100 Speed Post Centres throughout the country in cooperation with the State Governments and Postal department.
6. Efforts are underway made to fully activate and streamline the working of the District Passport Centres. Currently, DPCs in Karnataka account for less than 4% of the applications from the State, which is a modest figure compared to other States. We are making active efforts to boost submissions through DPCs which speeds up the police verification process.
7. Speed Post Centres have emerged as a popular means of submission of passport applications in Karnataka, amounting to 21% of the total applications. We are working with the Department of Posts to increase the number of such centres to ensure a wider coverage.
8. The residents of Bangalore have the additional choice of approaching the Bangalore-One centers for passport services, an initiative which I had the privilege to inaugurate in June last year. I am told that the

service which is available at 15 Bangalore-One centers is quite popular. It has also helped to decongest Passport Office premises to a certain extent. Till date, Bangalore-One centers have received more than 50,000 applications. I am given to understand that Government of Karnataka is setting up more such centers in Bangalore and plans to introduce a similar service in Hubli-Dharwad and Mysore in near future. We look forward to working together with the State government in this new initiative in other cities also.

9. As part of our initiatives to improve the public interface of the passport offices, we have updated the content of our websites to provide up-to-date information as far as possible and implemented e-mail based grievance redressal systems for speedy resolution of complaints. RPO Bangalore is also working on kannada website to cater to needs of the people of the State.
10. In addition to conducting regular passport camps and adalats for the public, RPO Bangalore has also taken lead in taking initiatives to cater to the specialized needs of large corporate based in Bangalore. They have undertaken "passport service camps" for large IT companies based in Bangalore, in a spirit of Public-Private Partnership. The camps organised for some of the large software houses have been very well received. I am sure that the Passport Office will continue with this initiative in future.
11. The Passport Office was shifted from Bruton road to this new building in April 2007. The new premises are a state-of-the-art modern building with large and comfortable public area and a separate parking area. I notice that there is a fair amount of green cover within the premises, along with fountains and water bodies which provides a cool and refreshing ambience. I am hopeful that the new premises will contribute to an improved work-flow and greater productivity among the employees.
12. Given these positive trends, I am convinced that we are on the right track and that we will be able to rise up to the challenge of meeting the expectations of the public in the years to come.

Thank you.



036. Briefing Points by Official Spokesperson on the three-day Conference of Heads of Mission.**New Delhi, July 24, 2007.**

- A three-day Conference of Heads of Mission in SAARC countries along with Heads of Missions in China, Iran and Myanmar would conclude in New Delhi today. This Conference is part of the regular process of interaction between Heads of Missions in various regions and the Ministry of External Affairs.
- EAM Shri Pranab Mukherjee addressed the HOMs Conference on 23rd July. He stressed that India's foreign policy must contribute to the process of development by putting in place a conducive external security environment and by utilizing every opportunity for economic and commercial cooperation. The process of globalization has led to far-reaching changes in international affairs which require constant examination and flexibility to optimize results.
- EAM also pointed out that while there are aspects of relations with neighbouring countries which are exclusively bilateral, there is also a need to evolve mechanisms that can take the region forward on a collective basis. The recently-concluded SAARC Summit had underlined our collective vision of an inter-connected South Asia where there is a free flow of goods, people and ideas. He underlined that it is now the time to take the SAARC process ahead to implementation phase and in this context important projects such as the South Asian University, the SAARC Food Bank and the SAARC telemedicine network are examples of the initiatives that had been taken on regional cooperation.
- EAM also urged the HOMs to deliberate on emerging political, social, economic and cultural patterns in the region to work towards putting in place a web of cooperative relationships.

HOMs also called on the Prime Minister today.



037. Inaugural Lecture of Gandhi Lecture series by the Congress President Mrs. Sonia Gandhi: 'Relevance of Gandhian Philosophy in the 21st century' at the Cape Town University.

Cape Town, August 23, 2007.

**Vice Chancellor Professor Ndebele,
Distinguished faculty members,
My young friends,
Ladies and Gentlemen,**

I

I feel privileged to inaugurate the Gandhi Lecture Series being organized by the Government of India in major universities of the world.

It is indeed an honour to be here at this esteemed centre of learning situated amidst such breathtaking beauty.

I stand before you in a spirit of humility to speak about one of the greatest figures of history, whose experiments with truth began in your country. For me as an Indian, a visit to South Africa is a pilgrimage.

The world knows greatness in many forms. There are the great, who won celebrated military victories. There are the great, who have deepened our knowledge of the physical universe. There are the great who have helped us understand the workings of the human mind. There are the great who by their inventions have transformed the way we live.

Mahatma Gandhi stands in a category of his own. He too was an inventor but of a different kind-an inventor of a unique way of protest, of struggle, of emancipation and of empowerment. His generalship lay not in making war but in waging peace. His weaponry was not arms and ammunition but "truth force", "satyagraha" as he called it. The moral universe was his field of action. He explored a whole new dimension of the human psyche-its capacity to willingly accept suffering, even unto death, not to attain the kingdom of heaven, but a better world here and now, by bringing about social and political change.

II

On June 7, 1893, a young Indian barrister, Mohandas Karamchand Gandhi, was evicted from a train at Pietermaritzburg station for being a non-white.

"I have never understood", he later remarked, "how any man can derive pleasure from the humiliation of another". A spark was lit which was to change the course of world history.

On September 11, 1906, Mohandas Karamchand Gandhi launched the first satyagraha campaign from the Empire Theatre in Johannesburg . He issued a clarion call for nonviolent resistance against racial discrimination, oppression and injustice. He described satyagraha as "a force born of truth and the love of nonviolence", a moral equivalent of war.

After 21 years in South Africa where his views took shape and were tested and refined, he carried the torch of satyagraha to India. The world saw with amazement how this unique technique energized millions of men and women to bring a mighty empire to its knees.

III

Mahatma Gandhi, the person was a many-sided personality to an unusual degree.

He was a man of peace who did not hesitate to fight for what he believed to be right.

He was a political strategist who shunned conventional politics and held no office.

He was a thinker and a philosopher who was, first and foremost, a man of action.

He was extraordinarily pragmatic and adapted himself to changing situations without compromising or abandoning his basic values.

Mahatma Gandhi respected tradition. Yet, he was also an iconoclast.

He was deeply religious. But his was a religion that drew from every faith, a religion that was all-inclusive.

He embodied spirituality. But his was a spirituality rooted in an abiding concern for the poor and the deprived, of service to and empowerment of the disadvantaged and underprivileged.

He was impatient for cataclysmic change. Yet, he shunned violence in any form as an instrument to force the pace of change. In his own words "nonviolence is mightier than the mightiest weapon of destruction, devised by the ingenuity of man".

The popular picture of Gandhi is that of a highly solemn and earnest person. His mission was indeed a lofty one but his personality was full of lightness and humour. Once, reacting to criticism that he was wearing merely his usual loin cloth, sandals and shawl when invited to tea by King George and Queen Mary, he said, "The King had enough on for both of us."

Although Mahatma Gandhi was a true revolutionary, he was that rare exception - a revolutionary who could laugh.

IV

A common response to Mahatma Gandhi - to Gandhian thought, word and deed - is that it was extraordinarily effective given the times in which he lived. Today's world, it is often argued, is dramatically different, and while Mahatma Gandhi is certainly worthy of continued admiration and awe, it would be naïve and unrealistic to expect his methods to be effective today.

I beg to disagree.

I am glad to say that an increasing number of young people in India and elsewhere are today turning to him to seek solutions to contemporary concerns through individual and collective action.

Here in South Africa, Nelson Mandela is a shining embodiment of that vision. The whole world celebrates the achievement of him and his fellow freedom fighters.

It is true that the world of today is vastly different from the world of Mahatma Gandhi. The fundamental issues he was confronted with, namely colonial subjugation, has disappeared from our world. Racial discrimination too has been blunted significantly.

At the same time, new threats to peace, harmony and stability have emerged. And it is one of the paradoxes of the 21st Century that while the establishment of peace has become the world's single greatest imperative, the traditional instruments of preserving peace have been found to be increasingly ineffective. Whether it is ethnic nationalism or religious chauvinism, economic inequality or military might -- all of them powerful drivers of conflict in today's world -- there is no doubt that we are in great need of a new paradigm for solving conflicts.

Today, we face the challenge posed by continuing confrontation in the name of religion and ethnicity. At its worst, this is terrorism, which inflicts untold suffering on innocent women, men and children.

We confront also the challenge of growing inequality both within and amongst nations. Economic disparities are accentuated by lack of access to education, health and food security. To these are now added the new threat of environmental degradation and climate change, as well as new diseases like HIV-AIDS.

The question to ask is not whether Mahatma Gandhi is relevant or not. The real issue is whether we have the courage and strength of mind to follow in his footsteps, whether we are prepared to live our lives by what he preached and most importantly, practiced.

The simple truth is that instead of diminishing in relevance, Mahatma Gandhi has actually become all the more pertinent in the 21st century. Whichever the challenge we confront, you can be sure that the Gandhian way is a real, live option, an option that informs and illuminates.

But we would be doing him great injustice if we didn't interpret, in contemporary terms, what he spelt out in the context of his times. He would have wanted us to experiment and find our own way without compromising our fundamental beliefs.

Mahatma Gandhi bequeathed to us three guiding principles: Ahimsa (or nonviolence), Satyagraha (or the force born of truth and nonviolence) and Sarvodaya (or upliftment of all). It is the value of these principles that we have to rediscover if we want to deal effectively with today's challenges.

V

Let me take the challenge of inequality first.

The essence of Mahatma Gandhi's political philosophy was the empowerment of every individual, irrespective of class, caste, colour, creed or community. To him, extreme poverty was itself a form of violence.

Democracy has become the preferred form of government in the 21st century, yet sadly his "notion of democracy" is far from being universally accepted.

We now recognize that political liberty must go hand in hand with economic progress. But to be truly meaningful, this growth has to be equitable. As with political power, a few cannot enjoy the gains of economic progress, while the many do not get their due share.

Economic growth has also to be consistent with the imperatives of environmental conservation and stewardship. But sustainability does not mean that vast numbers of people are denied better material well-being and living standards.

What is the Gandhian perspective on economic growth?

It is that wealth created and generated must contribute, first and foremost, to a larger social purpose and cause. By stating this in today's world, we do not negate the principles of profit and commerce. But we do underline the need to use a part of the wealth created, to better the quality of life of those whose voices remain unheard.

Observing the rush to consumerism that is so evident today, Mahatma Gandhi would also most likely have reminded us that a modicum of austerity would not be out of place.

For many, Mahatma Gandhi was and continues to be the ultimate touchstone of moral authority. This means judging all our actions - in word and deed - on the touchstone of public purpose. Public purpose itself has to be judged against the yardstick of the welfare and well-being of the poorest and most deprived in the land.

VI

Let me now turn to conflict.

Here I would straightaway say that Mahatma Gandhi would give primacy to the search for the underlying causes of conflict. Violence can be wanton and senseless. But often, conflicts can be symptoms of a deeper malaise that needs to be understood. This is not to romanticize violence-Mahatma Gandhi never did. But it is to analyze why it occurs and address it at its very source and root.

The political discourse, these days, is centred on a global war on terror. And indeed, terrorists who target innocent men, women and children deserve no quarter.

But today's enemies are not just individuals, they are also ways of thinking and perceiving the world itself. Countering violence with even more violence does not provide a durable solution. Whatever else Mahatma Gandhi may have done in our circumstances, surely strengthening the well-springs of discourse and dialogue must play a central part in it. And he would have gone even further. He would have looked within himself. For him, external engagement went hand in hand with internal interrogation. In reaching out, he would first and foremost have asked himself the question - "to what extent am I myself responsible"?

If democracies are going to wage a war against terrorism, the measures that are adopted, should be consistent with and not contrary to the values

of democracy. This is in keeping with the Gandhian consonance of ends and means. "There are many causes that I am prepared to die for", he said, "but no causes that I am prepared to kill for".

What would the Gandhian perspective be on the so-called "clash of civilizations" about which we hear so much these days?

I am reminded here of his response to the query of a foreign journalist who asked what he thought of Western civilization. "It would be a good idea", he answered.

Actually, Mahatma Gandhi would straightway and summarily reject the very idea of such a clash. He never accepted the exclusivist approach to religion, culture or civilization.

Mahatma Gandhi fervently believed in the pivotal role of religion in everyday life. He saw it as an ethical and moral mooring to all our actions - private and public. But his was a faith that drew from every religion, a faith that was all-inclusive. When asked about his religious belief, he said, "yes I am a Hindu. I am also a Christian, a Muslim, a Buddhist and a Jew".

VII

Ladies and Gentlemen

And what of the future?

Conflict and inequality seem an inevitable part of the human condition. Mahatma Gandhi's greatest lesson to the world was that this need not be destructively so. Conflicts can be resolved and inequalities can be contained. But without worthy means, worthy ends can never be attained. Will the 21st century see the fulfilment of Mahatma Gandhi's vision? Or will non-violence be viewed as outdated and utopian? All around us, we witness that violent means do not bring about lasting change, that violence cannot bring about peace. Violence only begets violence and spirals on.

It is my fervent hope that the world will embrace Gandhian truth and action and that you, my young friends here, will be among its torchbearers.

Thank you



038. Address by External Affairs Minister Pranab Mukherjee on the occasion of the foundation laying ceremony of the New Children's Hospital at Tirupati.

Triupati (Andhra Pradesh), August 25, 2007.

Hon'ble Chief Minister Dr.Rajasekhar Reddy and His Cabinet Colleagues, Deputy Speaker, Dr.Kuthuhalamma, Dr. Chinta Mohan, M.P. and Special Invitees, Distinguished Members of the Legislative Assembly & Dignitaries Present, Ladies & Gentlemen.

I am extremely happy to be present here with you all in the Foundation Laying ceremony of this New Children's Hospital and Maternity Ward in this temple town of Tirupati under the blessings of Sri Lord Balaji.

I am glad to know that Sri Venkateswara Ram Narayan Ruia Government Hospital, Tirupati, constructed at the foot of the seven hills of Tirumala, the abode of Lord Venkateswara, has made tremendous progress. What began as a small hospital with a paltry donation of Rs.5 lakhs from Sri Radha Krishna N. Ruia, a philanthropist from Bombay and a generous grant of 15 lakhs from Tirumala Tirupati Devasthanams (TTD) in 1962, has risen to become a big hospital with a bed strength of 750 beds having super-specialty departments like Neurosurgery, Neurology, Plastic Surgery, Pediatric surgery, Nephrology & Surgical oncology. I am also happy to note that this hospital has become the main referral hospital in this region serving the people belonging to low socio-economic status, scheduled castes, tribes, backward classes & other underprivileged sections of the community.

With the establishment of the New Children's hospital, I sincerely hope that the aspirations of the people of this region will be fulfilled and this public institution will serve for the improvement of the child health especially the provision of much needed sophisticated care for the high risk new born children.

Under the mandate of the National Common Minimum Programme of the UPA Government, health care is one of the seven thrust areas. In keeping with this perspective, the National Rural Health Mission (NRHM) was launched throughout the country in 2005 with special focus on improving health status of vulnerable population by ensuring accessibility and availability of quality primary health care and family welfare services to them.

The main aim of NRHM is to provide accessible, affordable, accountable, effective and reliable primary health care especially to poor and vulnerable sections of the population. The Mission addresses the issue of health in the context of improvement of sanitation, hygiene, nutrition and safe drinking water as basic determinants of good health in order to have greater convergence among the related departments like Women & Child Development, Sanitation, Elementary education, Panchayati Raj and Rural Development. It seeks to build greater ownership of the programme among the community through involvement of Panchayati Raj institutions, NGOs and all stakeholders in pursuance to the National Health Policy which includes reduction of Infant mortality rate to less than 30 per 1000 live births, maternal mortality to less than 100 per 1 lakh live births and to see that 80% and above deliveries are conducted in institutions by trained personnel.

The Millennium Development Goals representing commitments by governments throughout the world in the area of development and reduction of poverty & hunger place 'health' at the heart of development; 18 of the 48 indicators of progress are health related and many of the goals are related to improvement of maternal & child health. The Government of India has committed itself to achieve the main goals like reduction of three quarters of maternal mortality rate, reduction of two thirds of under five mortality rate and to reduce the prevalence of malnutrition among under five years children and infant mortality rate significantly by 2015.

The achievements of the National Rural Health Mission are highly encouraging. There has been a significant reduction in Infant mortality and Maternal Mortality since the onset of the programme. I am glad to note that the State of Andhra Pradesh has made remarkable progress in the field of Maternal and Child Health with the Infant Mortality rate being brought down to 57 per 1000 live births and Maternal mortality rate to around 290 per 1 lakh live births which by all standards is commendable. The State has registered a decadal growth rate of 14% compared to 21% for All India. The Sex ratio is favourable to the women compared to the All India figures. Thus, appreciable achievements have been made in many health & development parameters in the state of Andhra Pradesh. The setting-up of the New Children's Hospital under NHRM is another significant step in this direction.

I wish all success to this new hospital and hope that this institution provides all the medical facilities required and also serves as an effective partner in

promoting medical research & training to all the health care providers. I am sure; this new hospital will be a boon to the improvement of Child health care services in this region.

Thank you.



039. Speech by External Affairs Minister Pranab Mukherjee at the inauguration of the Sri Padmavati Mahila Visvavidyalayam [Women's University] Silver Jubilee Celebrations.

Triupati (Andhra Pradesh), August 25, 2007.

Dear Shri Chinta Mohan, Dear Vice-Chancellor, Distinguished members of the Legislative Assembly & Dignitaries present, Ladies & Gentlemen,

It gives me immense pleasure to be present here at the inaugural of the Silver Jubilee Celebrations of Shri Padmavati Mahila Visvavidyalayam, an important and vital seat of learning in the country.

Education is a process of learning which awakens and develops the conscience of people and communities towards rational thinking and it is the very basis for social development. It is a process of learning leading to acquisition of knowledge. Knowledge is power and liberty accrues from power. Thus, Education emancipates. It is an evolutionary force for liberation. It is indeed impressive that the motto of this university is "jnanam nirmochanam streenam", that is, Women's emancipation through acquisition of knowledge. The establishment of Women's Universities symbolizes the affirmative and reformative action by the government in order to secure equitable access to women for higher education, check the imbalances in the field of higher education with an ultimate goal of gender mainstreaming.

The education system in any developing country will always be innovating, facing challenges and making paradigm shifts. Our heritage records expounding Vedic literature by 32 women compilers. The establishment of universities in our civilization dates as early as 6th century B.C. However, the growth of institutionalized education system was slow and sluggish during British period. The First three Universities based on Macaulay and Wood's Dispatch (1854) was set up in 1857.

Pandit Jawahar Lal Nehru said *"You can tell the condition of a nation by looking at the status of its women"*-.

At Independence, the number of institutions of higher learning and infrastructure and human resources devoted for the same were tiny when compared to the present position. From around 20 universities at the time of independence it has grown to more than 350 universities by 2006. The number of colleges registered a growth from around 500 in 1947 to about 18000 in the same period which includes more than 1000 women's colleges. The student enrolment increased from half million to more than 11 million thus making India have one of the largest network of tertiary education system. Series of educational policies and catena of programmes of action adopted by the government were responsible for such a growth.

First two five year plans referred to the problems of women in relation to education and tried to link higher professional education and occupations. The Report of the Committee on the Education of Women, 1959 laid more focused measures for the development of women's education. There was marked growth and paradigm shift from 5th Five-Year Plan (1974-'78) onwards in the approach for women's issues from welfare to development. The 6th Five-Year Plan specifically advocated a strategy for women's development that included education as its focus. The National Policy on Education, 1986 underscored the need of education in empowering women and in over coming inequalities. The National Policy for the empowerment of women indicates equal access to education for women and girls and special measures to eradicate discrimination. None the less much is desired to be done.

One can not be complacent when the system of education itself is in transition from industrial society based educational needs to needs in the context of globalization and liberalization. The Change is towards information society which is termed also as knowledge based society. Indian leadership envisions at making India a knowledge superpower by 2020. This can be achieved only when high level competitive competencies are promoted, capabilities are strengthened and vulnerable sections of the society including women are empowered.

It is indeed amazing to note that the rate of progress at which women develop is in no way less than men in any field. But the harsh reality is that the Gross Enrolment Ratio of women in higher education is still low. It is only 4% when compared to boys whose GER is 12%. The GER belonging to disadvantaged groups is still worse. Low GER results in depressingly

low representation of women in policy making and governance. Till 90's there appears that choice of women fell on general disciplines rather than on professional courses for varied reasons. It is only a recent phenomenon that women are attracted towards special, specific professional courses competing with men. In societies where women's educational opportunities are denied based on socio-economic and cultural reasons, women's universities cater to their needs which give them an additional advantage in addition to competing with men in co-educational institutions. These universities may also offer women interested courses, besides other courses, which may not find place in co-educational universities.

Development of competitiveness is directly related to quality of education we offer. Quality assurance requires standardized promotion of appropriate skills and capabilities. The aim should be towards excellence. In this context one should also note that the education we offer should be meaningful and useful in obtaining work and job opportunities besides giving scope for contributing to the development of the country.

Changes pose challenges and they require preparedness. The changes that are witnessed in recent years are fast, swift and rapid, thanks to unparalleled, trend setting developments bringing the information and communicative technology to the door steps of the people. Mores and attitudes of the people are changed sub-consciously. The result is that the paradigm of education system based on '*one size fit for all*' has given place to personalized, need based development of curriculum and implementation thereof. The norms governing education through teaching, learning and evaluation, creation of knowledge resources, development of infrastructure facilities and learning environment and management of strategies of education should all be converged to meet the challenging needs of the present scenario. Knowledge has economic dialect in the context of globalization.

This University may act as a catalyst to bring in attitudinal changes towards gender mainstreaming and towards that, the university can plan learning process integrating curricular and out reach programmes. Young women try to enter the portals of the places of higher learning at a crucial and transitional age. The limitations, irrational inequalities should be removed and it is societal responsibility. The future of India as a giant of human resources depends on how best we can extend higher learning to women and harnesses her competence and capabilities and I am sure the access to education for women will lead to success in every field.

I congratulate the eminent personalities, patrons, faculty, staff members and students of this prestigious University for having served as a leading institution in imparting knowledge in the last 25 years with dedication and success.

Thank you.



040. Inaugural Address by External Affairs Minister Pranab Mukherjee on the occasion of the opening of the Branch Secretariat of the Ministry of External Affairs at Chennai.

Chennai, August 27, 2007.

Hon'ble Thiru M. Karunanidhi, Chief Minister of Tamil Nadu, My colleague Shri E.Ahamed, Minister of State for External Affairs, Members of Parliament and the State Legislative Assembly, Senior Government Officials, Representatives of Press and Media, Distinguished Guests, Ladies and Gentlemen.

I am indeed delighted to be in this beautiful city of Chennai for inaugural of the Branch Secretariat of the Ministry of External Affairs. In October last year, Thiru Karunanidhi had written to me on the need to open a Branch Secretariat of the Ministry of External Affairs in Chennai, to which I had readily agreed. I am happy that this has become a reality today. This is the third Branch Secretariat of the Ministry of External Affairs, the other two being in Kolkata and Hyderabad. We hope to open similar offices in some more States.

I share the vision of the Hon'ble Chief Minister that the presence of MEA Secretariat in Chennai will help Tamil Nadu and other southern states in facilitating and promoting their contacts with the foreign governments, overseas investors and business leaders, non-resident Indians and other important players abroad, thereby contributing to the overall economic development and well being of the people.

During the last 15 years, since the opening of the Indian economy in 1991, India has recorded an impressive economic growth. This has naturally generated considerable interest among overseas investors in India. Engagement of foreign business community in the Indian economy has increased considerably in the recent past. Given the abundance of skilled

manpower and favourable government policies, the State of Tamil Nadu has been able to attract an increasing flow of overseas investment, technology transfers, joint-ventures and foreign collaborations. Tamil Nadu, in fact, is one of the largest recipients of Foreign Direct Investment among Indian states. A large number of business delegations, accompanying the visiting foreign dignitaries, have been visiting Chennai regularly. Opening of the Branch Secretariat would further accelerate this process by identifying suitable investors and business partners through Indian Missions abroad and by facilitating their visit to the State.

The Branch Secretariat will also serve as a window for interaction with a large number of foreign consulates and honorary consulates located in Chennai. These consulates will now onwards be able to submit their requests on various issues of day-to-day functioning directly to the Branch Secretariat; rather than approaching the Ministry of External Affairs through their Embassies in Delhi. This will render their functioning more productive and efficient.

The State of Tamil Nadu is also a cradle of ancient Indian civilization. The Ministry of External Affairs has an extensive programme of cultural exchanges with various countries abroad. The Branch Secretariat, together with the Office of the Indian Council for Cultural Relations in Chennai, will, I am sure, help Tamil Nadu in promoting cultural exchanges with various parts of the world and projecting its rich cultural and civilizational heritage abroad. This will also contribute to attracting a larger number of tourists to the State.

Though most of the consular and passport services to the people of the State are rendered directly by the Passport Offices located in Chennai and Tiruchirappalli, certain services, such as attestation of documents, are mandatorily required to be provided only by the Consular Division of the Ministry of External Affairs. With the opening of the Branch Secretariat, these services could eventually be provided in Chennai itself, thereby avoiding inconvenience to the people of the State.

I am also happy to announce on this occasion that we expect to open two more Passport Offices at Madurai and Coimbatore before the end of the year. These will bring passport services closer to the people of Tamil Nadu. Presence of the Branch Secretariat in Chennai will also facilitate many other routine tasks such as political clearance for state government delegations visiting abroad and logistics during visits of foreign dignitaries to the State. The opening of this office in Chennai is, therefore, a major step towards more effective and productive interaction between the Ministry

of External Affairs and the Government and people of Tamil Nadu.

Before I conclude, I must thank Thiru Karunanidhiji and his colleagues for their whole-hearted support in making the establishment of the Branch Secretariat possible. The State authorities promptly identified suitable office space which was renovated in a record time. I would also like to extend my profound thanks to Thiru Karunanidhiji for his gracious presence in our midst today despite his busy schedule.

With these words, I would like to dedicate MEA's Branch Secretariat to the people of Tamil Nadu and assure the Government and people of Tamil Nadu that the Secretariat will make all possible efforts to assist the Government of Tamil Nadu in its objective of economic, social and cultural development as also the well being of the people of this beautiful State.

Thank you all.



041. Address of Special Envoy of Prime Minister Shyam Saran at the Institute of South Asian Studies: "60 Years of Independence: India's Foreign Policy Challenges".

Singapore, August 30, 2007.

I am delighted to join you all this morning at the commemorative event organized by the Institute of South Asian Studies to mark sixty years of Indian independence. This is a commendable initiative, one particularly appropriate to Singapore whose historical ties with us have become even closer in recent years. Let me express, at the outset, my appreciation to Mr. Gopinath Pillai, Chairman of ISAS, for organizing this Conference and to Second Permanent Secretary Bilahari Kausikan, who has been gracious enough to inaugurate it.

2. Sixty years ago, when India gained independence, it joined the international community as a polity fractured by the Partition and as an economy shattered by two centuries of colonialism. The challenges that it faced were so fundamental that they would have been daunting for even a seasoned leadership. Only one which had so determinedly waged an independence movement over half a century could have

assumed the responsibilities of governance so seamlessly and articulated a coherent national agenda. It is not my intention to dwell on these domestic challenges except in so far as they are relevant to the formulation of our foreign and security policies.

3. There were three major constraints that India faced on the foreign policy front in its early years. The first was to undertake the internal political consolidation and the economic reconstruction of India. The former process occupied the first decade and the latter is still ongoing. The second, an inevitable consequence of Partition, was a reduction in India's size and reach. There was not only a disruption of many of its historical connectivities but an adversarial relationship with Pakistan which arose from the circumstances of the Partition. The third constraint was the structural rigidity in the international system emanating from the Cold War which significantly circumscribed India's freedom to exercise choices as it set about the task of nation building. Non-alignment was a response to this reality. Six decades later, each one of these factors has in some measure, changed to our advantage, leading to a more optimistic vision for India's future.
4. Let me now focus on India's political and economic achievements since Independence and what these portend for the future. Our consolidation as a national polity has been impressive and no one really doubts India's stability today. This is important to state because that was not how international opinion always perceived us. In the 1960s, for example, there was a considerable body of analyses that predicted very alarming scenarios arising out of the growth of regionalism. Our ability to reconcile competing demands was also questioned, particularly during times of economic difficulties. But today, there is a broad appreciation that the Indian political ethos is accommodative of diversity and respectful of federalism. Indeed, the inherently pluralistic culture of India has actually provided the basis for the working of complex coalitions at both central and state levels.
5. Similarly, internal contradictions and differences - not unnatural in a large, varied and democratic society - have often been misinterpreted. Observers unused to the complexity of our socio-political matrix sometimes tend to believe that this negatively affects the efficiency of our development process. But if there is one lesson out of the last sixty years, it is that the culture of debate that

accompanies decision-making is central to the management of the Indian political process. In many ways, the world is revisiting the debates of 'democracy versus development' and 'pluralism versus homogeneity.' India is increasingly recognized for its successes in simultaneously building an open society and an open economy. That, in itself, has significant repercussions, as much for India as for the world.

6. This recognition may not have been as strongly endorsed as it is today if India's political achievements were not matched by its economic success. An audience in Singapore needs no convincing of the merits of our reforms, initiated 15 years ago. But even more skeptical quarters have now come to accept that the unleashing of energies in India and growth of our aspirations has the most profound consequences for the global economy. The changes in India itself are visible for all to see. A sustained 9% growth rate is manifesting itself in growing incomes and rising demand. Poverty levels in the last decade alone have declined significantly in both urban and rural areas. Contrary to many expectations, Indian business has proven its competitiveness as our economy integrates with the world.
7. Against this backdrop, how does India see the current global landscape from its own vantage point and what is its perspective regarding its own role in Asia and the world?
 - In the current international landscape, there is only one country which has a truly global agenda and also a global reach, which is the United States. However, there is also a cluster of major powers with strong regional profiles but increasingly global impact. These include the E.U., Russia, China, Japan, India, Brazil and South Africa. While U.S. pre-eminence is unlikely to be reversed in the foreseeable future, the relative importance of the other major powers is likely to increase. We are already in a world of what I would call "asymmetric multipolarity" with the asymmetry progressively diminishing over a period of time. India has an instinctive preference for multipolarity and multipolarity globally implies a multipolar Asia as well and this is a trend which is positive from India's standpoint as an emerging power.
 - There is unlikely to be confrontation among the major powers, even though there may be areas of competition and even

tension among them. It is our perception that the growing globalisation of the world economy, and the consequent increase in interdependence and interconnectedness among the major powers, makes it unlikely that competition and tensions will be allowed to go beyond a point, since the consequences would be negative for both sides. On the other hand, there will be issues on which there could well be coalitions of powers whose interests may be convergent on specific issues. Examples of this are the six-party talks on Korea and the P-5 + 1 initiative with respect of Iran's nuclear issue. In this loosely structured concert of powers, India finds greater space for the pursuit of its foreign policy objectives.

- The international agenda today is dominated, as never before, by a number of significant cross-cutting issues that are not amenable to national or regional solutions. They require global responses and this itself would limit the scope for competitive behaviour among major states. These cross-cutting issues include terrorism, drug-trafficking, international crime, global pandemics, environment to name a few. The participation of large developing countries like India and China would be imperative in seeking solutions to such issues, even as multilateral institutions and multilateral approaches become essential tools in confronting these challenges. India will be increasingly engaged in playing a leading role both in the creation of such global institutions and in the fashioning of global approaches.
- While the current global landscape is characterized by the emergence of a number of major powers, there is unmistakably a shift in the center of gravity of global economy towards Asia and with that the relative weight of Asia in global affairs. The most obvious manifestation of this is of course the emergence of both India and China as two dynamic, continental sized economies, but also the continued expansion and maturation of ASEAN economies, and the resumption of growth in Japan. How Asia will manage this historic transformation will be critical to the prospects for peace and prosperity both in our region and the world. There is little doubt that India's energies will be focused to a considerable extent, in managing this transformation and

participating in the creation of new political, security and economic architectures in our region.

- Recent trends indicate that development will, in the future, be increasingly knowledge-driven and technology-driven. Countries that demonstrate strengths in innovation, in knowledge creation and applications and have the demographic profile to sustain growth over a period of time, will emerge in the front ranks of the world in the next 30 to 50 years. India has demonstrated strengths in this regard. It has a large and growing corps of skilled and technical qualified manpower. IT is an example. At the same time, it has a young population which will ensure sustained growth over the next several decades.
 - As technology and communications continue to shrink the global neighbourhood and interaction among countries and peoples grow in quantum leaps, the ability to handle and reconcile diversities of ethnicity, religion, culture and language, is what will distinguish successful societies. There will be a natural tendency for plural democracies to seek proximity and confront the intolerance and hostility generated in societies unable to adapt to rapidly shifting winds of change. India is an example of a successful, plural democracy, which has by and large, been able to accommodate immense diversity within a liberal political order. It is, therefore, well-positioned to adapt to a more interconnected world.
8. In articulating an appropriate foreign policy for the next couple of decades, it is the parameters detailed above which would be the most relevant. There will be certain significant elements of continuity. The objective of India's foreign policy has long been to expand its strategic space and strengthen the autonomy of its decision-making. As a large and populous country, and heir to a rich and ancient civilization, India has always had a sense of its place in the world. The experience of colonial domination only strengthened the zealotry with which its people safeguarded their newly won independence. Non-aligned foreign policy was an expression of this ethos and remains so today. What has changed is the context in which this objective is sought to be pursued.
9. In terms of the parameters I have spelt out, the contours of India's current

foreign policy begin to emerge with a certain clarity. Divested of the bipolarity of the Cold War and the rigidities of East-West confrontation, international relations today offers India the opportunity to simultaneously pursue closer engagement with the all the major powers; strengthening of relations with one does not inevitably lead to diminishing returns on some other front. It is possible today to think of flexible and shifting coalitions of major powers to deal with a varied set of challenges. For example, India is part of an India-Brazil-South Africa arrangement called IBSA. It is a member of a Russia-China-India trilateral and an observer at the Shanghai Cooperation Organization, even as it is comfortable pursuing a closer consultative relationship in the quadrilateral format with the US, Japan and Australia. India works together with the EU on issues of energy and environment, but it is also willing to cooperate with the U.S., China, Japan, Australia and South Korea under the Asia-Pacific Clean Development Partnership. India's foreign policy is becoming expansive, with an unprecedented degree of regional and global engagement. The rapidity with which the country is becoming enmeshed in a variety of regional and global networks is truly astonishing. This trend towards more intense engagement with a globalised world is likely to continue in the coming years.

10. Operating at all these levels naturally require an integrated vision. A pre-requisite for a multi-polar world, for example, will have to be a multi-polar Asia. Independence of thought and action will remain a dominant feature of India's diplomacy into the future. Even when we were much weaker, India was chary of being used by other powers. There is no cause for that to change. Our approach remains to translate the achievements of one relationship into gains in another. The record of the last few years would bear this out.
11. The transformation in India's ties with the United States in recent years should be seen in this context. The US is India's largest trade, technology and investment partner, a home to a successful Indian community and a large student body. Its value to India lies particularly in its ability to shape global sentiment on a wide range of issues. Our civilian nuclear energy understanding is an appropriate example. Other countries have leveraged their relationship with the US to accelerate their growth and there is no reason why India should not do so. Stronger Indo-US ties not only bring benefits to the two partners but contribute to regional and

global stability. They have also strengthened our hand in building many other relationships across the world.

12. Our relationship with China has also expanded noticeably during this very period. While our bilateral trade has grown exponentially, the real story is the rapid broad-basing of our interaction. Today, the two countries have established a commendable record of exchanges in the political, security, economic and cultural spheres. It is not always appreciated how much India and China have in common. The world should expect to see us work together on the many areas where our interests converge. I would stress that the rise of China is a positive development in so far as India is concerned. It encourages by example the growth of Indian aspirations. Structurally, it compels the international system to change at the very time when India too wishes to alter the status quo to its advantage. Both Indian and Chinese leaders have emphasized that there is enough room in Asia and the world for both India and China to grow and that there is no fundamental conflict of interest between the two.
13. Prime Minister Abe's recent visit to India has highlighted the change in India-Japan relations. This has been a long time in coming. It is apparent that Japan now sees value in going beyond those regions of Asia with which it had historical familiarity. The scale of the economic partnership under contemplation is impressive. We also share a vital interest in ensuring security of maritime trade.
14. We have longstanding ties with Russia and nations of the European Union which too have expanded along the lines of our other major relationships. Russia remains a key security partner, one with whom we also share strong political interests. The engagement with Europe, of course, is dominated much more by economic cooperation and the presence of a large Indian community.
15. While our global engagement is expanding, it is also true that this expansion is increasingly weighted in the direction of Asia, particularly South-East Asia and the Far East. All major indices e.g. growth of trade, investment, transport and communications, point to India's economic resurgence becoming an integral component of the Asian growth story. India has now accepted that its economic destiny is now firmly linked to its fuller integration in the global economy. However, global integration will come increasingly through greater connectivity and enmeshing with the dynamic economies of South

East Asia and East Asia. This is precisely what is happening. There has been a steady evolution in India's Look East Policy - from a sectoral to a full dialogue partner with ASEAN and the imminent prospect of an India-ASEAN Free Trade Agreement. The East Asia Summit is an even broader canvas on which such integration could be pursued.

16. India also believes that it cannot make a true success of its economic integration with Asia, unless it is able to realize such integration within South Asia itself. A fractured South Asia would inevitably inhibit the larger process of integration with the dynamic economies of South East Asia and East Asia. Therefore, a major preoccupation of India's foreign policy is the pursuit of a peaceful neighbourhood in South Asia based on shared prosperity.
17. As with India's domestic prospects, the outlook for the region too has improved as a result of economic transformation. India's emergence as a motor of economic growth has opened up opportunities for all our neighbours. Already, its impact is making itself felt on their economies. Those among them who leveraged these possibilities to advance their interests have been well rewarded. Sri Lanka, for example, has emerged as a major logistical hub for peninsular India. It is also benefiting both as an important investment and tourism destination for a more prosperous India. In the north, Bhutan has significantly raised its per capita income as a result of energy exports to India. In the case of Myanmar, infrastructure projects have opened up new avenues of cooperation which benefit both countries. Even with our other neighbours, the expansion of our bilateral trade - including those routed through third countries - has been noteworthy. Above all, business communities across South Asia are increasingly aware that this is a win-win situation and not a zero sum game. The challenge that we face is to overcome entrenched suspicions and to raise cooperation to a higher level. India will clearly have to take the lead in providing incentives to overcome the old mindsets and our approach at the SAARC Summit in New Delhi in April 2007 was reassuring on that score.
18. Our relations with Pakistan deserve a special mention as they have been the most intractable of our diplomatic problems. Many of you perhaps would be surprised to learn how normal our relationship has become since 2004 despite our continuing differences on major issues. Sentiments of civil society have been very much a driving force in this

normalization process. Governments have responded by creating a more helpful enabling environment. Support by Pakistan for terrorism directed against India has long been a particular obstacle to improved ties. The commitment made in January 2004 to desist must be honoured if we are to progress. There, however, seems to be a growing awareness in both countries in recent years that our futures are closely inter-linked and that the present impasse helps neither country. On the Indian side, our Prime Minister has underlined our complete flexibility, short of contemplating territorial changes. There has been a serious search for a solution underway for some time now. Since a middle ground does not exist, political ingenuity has to create one. A lowering of tensions is obviously the basic pre-requisite to do so, followed by as broad-based engagement as possible. We now have to see how purposefully the two countries can move down a road that has never been taken. A dilution in external interests that have perpetuated the differences in South Asia would also be greatly helpful in that context.

19. Some thoughts about our nuclear policy would also be appropriate. Over the last six decades, an India that was a vocal exponent of disarmament was compelled by circumstances to emerge as a nuclear weapon state. The challenge that we will now face is to fashion diplomacy more appropriate to our present strategic posture, while simultaneously pursuing disarmament goals and participating in international nuclear commerce and technology initiatives.
20. A few remarks about our relations with Singapore. An India that envisages in the opportunities that are offered by the changing global scenario the realisation of its aspirations naturally will pursue vigorously cooperation with other economically resurgent societies. As you would have gathered, our world view contemplates both concentric circles of interest and a multi-polar global architecture. Singapore is located in one of the inner circles, and is clearly a priority relationship for India. It is among our top five trade and investment partners. Our privileged relationship is reflected in the Comprehensive Economic Cooperation Agreement (CECA), a framework agreed upon in June 2005. Its results are no mere statistics. Singapore is the favoured location for Indian businesses seeking a global footprint and more than 2600 of them have set up offices there. Most of our large banks have their presence as well and the air connectivity between our two countries is particularly strong. At the Indian end, Singaporean companies have moved beyond financial investment to assume project execution responsibilities. We have strong political and security convergences and are establishing

effective institutional linkages to advance them. Above all, as multi-ethnic and plural societies, we have a natural bonding that can only gain further significance as India globalises.

21. What kind of India the world would see in the next six decades? It would be an India largely focused in raising the quality of life of its people. This will be the basis on which our external engagements would be judged. India's response to the forces of globalization will also be watched closely. We have the cultural strengths and the self-assurance to meet the world on our terms. What augurs well is that India, as a cross-roads culture, has never seen the world in adversarial terms. If the past is a guide at all, the world could learn much from South East Asia's long tradition of interaction with India. That tradition has been very much one of an exchange of ideas, people and commerce. Therefore, one can safely predict that interests of this region would be well served by a more prosperous, confident and active India.

I thank you for your attention.



042. Address by External Affairs Minister at the All India Haj Conference-II.

Hyderabad, September 8, 2007.

Shri Rajasekhara Reddy, Chief Minister of Andhra Pradesh, Shri. E. Ahamed, Minister of State for External Affairs, Shri M.O.H. Farook, Ambassador of India to the Kingdom of Saudi Arabia, Chairman and Members of Haj Committee of India, Chairmen and Members of the State Haj Committees, Distinguished Guests and Religious Scholars, Members of the Media and Friends,

I am very glad to be amidst you this morning to inaugurate the 2nd All India Annual Haj Conference for Haj 2007. I commend the Haj Committee of India in taking the initiative to organise this 2nd All India Haj Conference in the same calendar year and in the modern metropolis of Hyderabad. I am especially grateful to the State of Andhra Pradesh and to its Chief Minister, Shri Rajashekhara Reddy for their gracious hospitality and support.

The Haj Conference provides a good opportunity for useful exchange of

views on Haj matters, which the Government of India takes into account while formulating the policies regarding Haj. The Haj Committee of India, the Indian Missions in Saudi Arabia, the Airline companies and all other individuals and agencies are in the midst of their preparations for the organization of the next Haj pilgrimage. As such this Haj Conference would, provide us with an occasion to review the progress made till now as well as to formulate further plans to make Haj 2007 a grand success and spiritually rewarding for the Indian pilgrims.

It is a matter of great pride for us that one of the largest contingent of Haj pilgrims in the world goes from our country. Last year about 1,57,000 Indian pilgrims performed the Haj. This year the same number would go for pilgrimage and I would like to express my sincere gratitude to the Government of the Kingdom of Saudi Arabia for maintaining India's quota for Haj 2007 at the same level as last year. Shri E. Ahamed, MOS for External Affairs, visited Saudi Arabia to meet the Saudi Minister for Haj and to conclude the formal agreements for Haj 2007.

At the last conference in May this year I had conveyed that the Government had constituted two Committees i.e. an Expert Group on Haj to recommend ways and means to make further improvements in our Haj management and another Committee to study measures to look into the reforms of the existing system of management of Haj pilgrimage and prepare an appropriate and viable model for Haj Management. The first has already submitted its report, which the Government plans to implement in the near future. This would take further the efforts put in by the External Affairs Ministry under the guidance of my colleague Shri E. Ahamed for bringing about qualitative improvements in Haj management.

The Indian Haj Mission in Jeddah, which has recently been conferred with the ISO 9001 certification is fully geared up for the forthcoming Haj. The Haj Committee of India and our Haj Mission in Saudi Arabia are both working hard to fulfill the mandate given to them of serving the Hajjis and taking care of their needs and requirements their journey to the Kingdom and during their stay there. The role and assistance of the State Haj Committees in this process is a vital one. As such I would once again like to take the opportunity to urge all those States who have so far not constituted their State Haj Committees in accordance with the provisions of the Haj Committee Act 2002 to do so expeditiously.

It is a matter of great satisfaction that this year the Haj Committee of India and the Indian Haj Mission are endeavoring to acquire as many accommodation units as possible in the traditional boundaries of Makkah

to facilitate the visits of the Indian pilgrims to the Holy Haram. I am informed that more than 85% of pilgrim accommodation in Makkah has already been hired while the process of hiring of accommodation in Madinah has been completed. Efforts are also being made to accommodate the pilgrims within the traditional boundaries of Mina and to provide the pilgrims with better amenities and facilities.

The Government of India is committed to providing all necessary infrastructure for the efficient management of Haj. It would continue to depute in sufficient numbers administrative, para-medical and medical personnel to look after and assist the Indian pilgrims during their stay in Saudi Arabia. The Government has sanctioned 8 additional ambulances for the Haj Mission in Jeddah, which would substantially add to the medical facilities, which are provided to the pilgrims. Sufficient medicines and other critical medical equipment would also be made available to our doctors for the benefit of Indian pilgrims. We are providing our Haj Mission in Jeddah with trained personnel as required including IT professionals. The States send Khadim-ul-Hujjajs every year to assist the pilgrims. This year, very few States have forwarded their list of nominees despite the last date having passed. We are extending it till the end of this month in the hope that all States would send their nominations by then.

I was happy to learn that the Haj Committee of India plans for the computerization of Haj arrangements by linking all the State Haj Committees through a wide area network has made considerable progress. Pilgrim data is already computerized by the Consulate in Jeddah and can be accessed through the Consulate's website. We are very happy that this year, in all States bar one, Qurrah where required has been held through computers using the software provided by the Haj Committee of India. This has made the process more transparent. We hope that next year, all Qurrahs will be held all over India on the same day in a uniform manner.

I would urge the Haj Committee of India, the State Haj Committees, our Missions in Saudi Arabia and all concerned with Haj affairs to give high priority to the training and orientation of prospective Haj pilgrims so that our pilgrims are able to perform their holy rituals in a proper and safe manner. The pilgrims have been informed of the various steps that they have to take including the requirement for vaccination, which is for their safety. This year, the Government of Saudi Arabia has suggested appropriate inoculating vaccinations and other measures against influenza, meningitis, polio, etc. I would request the concerned authorities to assist the Haj

Committee in providing the necessary certificates in this regard, and thus help in visas procurement.

The Ministry of Civil Aviation in association with Air India and Saudi Arabian Airlines is in the advanced state of preparations for airlifting of pilgrims for the forthcoming Haj. 10 embarkation points will be handled by Air India and 6 by Saudia. A new embarkation point this year is Varanasi. Pilgrims will also have to ensure that their baggage is of the standard type and restricted to the maximum permissible weight.

The Government is also making all efforts to ensure that private tour operators who take pilgrims to Haj provide proper services and facilities for the pilgrims. It is a matter of satisfaction that over the years their services have improved and they have been contributing in a significant manner in providing necessary services to the Indian pilgrims. The Government ensures that these pilgrims also benefit from the arrangements for medical and general assistance put in place by the Haj Mission in Jeddah. The allocation of quota to PTOs has already been made and their details will be distributed to all State Haj Committees and concerned authorities. We would like to enlist the cooperation of all concerned to ensure that non-authorized PTOs do not dupe intending pilgrims.

I am sure that this Conference would provide a very strong platform for serious discussion and healthy debate to achieve the common objective of making the best possible arrangements for Indian Hajjis in an objective and transparent manner. As improvement in Haj Management is a continuous process, I, on behalf of Government of India, would like to assure you that we would very carefully consider all suggestions that would emerge from the deliberations of this Conference and try to implement them wherever feasible in the overall interest of our pilgrims.

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



043. External Affairs Minister Pranab Mukherjee's visit to New York as leader of the Indian Delegation to the 62nd session of the UN General Assembly.

New York, September 23 - October 2, 2007.

September 23, 2007

H.E Mr. Pranab Mukherjee, Minister of External Affairs of India, arrived in New York on the morning of September 23, to lead the Indian delegation at the 62nd UN General Assembly.

The Minister participated in a High-Level meeting convened by the Secretary-General of the United Nations, jointly co-chaired by the UNSG and H.E President Hamid Karzai of Afghanistan. In his statement, the Minister reaffirmed India's commitment to the reconstruction and long-term development of Afghanistan, noting that India had pledged over US\$ 750 million in assistance, with over US \$ 300 million already disbursed. India's assistance covers virtually all regions of Afghanistan, and includes areas ranging from infrastructure projects to small development projects, and capacity-building assistance. The Minister also emphasized the central importance of addressing the security situation in Afghanistan, emphasizing the need for both a robust international political solution and a stronger internal military response. Lastly, the Minister underscored the centrality of the regional aspect in reconstruction and donor-led development processes. The meeting concluded with the adoption of a communiqué, which is available on the website of the United Nations.

In the afternoon, the External Affairs Minister met H.E Mr. Yang Jiechi, Foreign Minister of the Peoples' Republic of China. The Ministers discussed the further expansion of the strategic cooperative partnership between the two countries, and agreed on the need to expand bilateral cooperation, including in multilateral fora such as the United Nations. Both sides noted the rapid expansion of bilateral trade, and expressed satisfaction that the target for bilateral trade of US \$ 40 billion would be achieved soon. They also noted that high-level interaction between the two countries continued to increase, in accordance with the Ten Point initiative agreed upon by both sides during the visit of President Hu Jintao to India in 2006.

Later in the evening, the Minister called upon H.E Mr. Mahinda Rajapakse, President of Sri Lanka. The meeting was in continuation of the practice of

regular and close consultations between the two countries, on issues of common concern. As befitting the historic and close ties between the two nations, the talks were held in a warm and cordial atmosphere. The two sides discussed bilateral relations, as well as regional and international issues of mutual interest.

Finally, the Minister participated as Chief Guest at the inaugural event of "India@60", organized by the Tourism Ministry of the Government of India. This event was a celebration of the sixtieth anniversary of India's independence, at which India's diversity and cultural traditions were highlighted.

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On the bilateral meetings of External affairs Minister Mr. Pranab Mukherjee in New York.

September 24, 2007

On Monday, September 24, the External Affairs Minister had bilateral meetings with several of his counterparts, including HE Dr Rangin Spanta, Foreign Minister of Afghanistan; HE Mr. Mourad Medelci, Foreign Minister of Algeria; HE Mr George Yeo, Foreign Minister of Singapore; H.E Mr. Felipe Perez Roque, Foreign Minister of Cuba; H.E Mr. Jan Kubis, Foreign Minister of Slovakia; HH Sheikh Abdullah bin Zayed Al-Nahyan of the United Arab Emirates; HE Mr. Dmitrij Rupel, Foreign Minister of Slovenia and HE Mr. Maxime Bernier, Foreign Minister of Canada.

Apart from these bilateral meetings, EAM met the Foreign Ministers of Russia, China and Brazil, as part of the (BRICs) initiative involving ministerial meetings of Brazil, Russia, India and China. During this meeting, the Ministers agreed that the four countries would gradually intensify cooperation in this format, beginning with closer consultations at the Ambassadorial-level, and moving on to the political level. Consultations would focus upon issues of mutual interest in the international system, in particular, issues relating to trade, development and the international financial system.

EAM and the Foreign Minister of Afghanistan reviewed the excellent bilateral relationship, and the similarity of their views on the situation in Afghanistan. EAM underlined India's firm commitment to assisting in Afghanistan's reconstruction, focusing on infrastructure and capacity-building programmes, aimed at "Afghan-ization" of developments in Afghanistan. The leaders also

agreed on the centrality of the security issue, noting that it posed a significant challenge to the efforts of the international community thus far.

During the meeting between EAM and the Foreign Minister of Algeria, the two sides agreed on the need to expand bilateral cooperation, focusing in particular on the economic relationship. As representatives of nations that had suffered greatly from terrorism, there was a close similarity of views between the Ministers on threat posed to the two countries by this menace. In his meeting with the Foreign Minister of Singapore, EAM and his counterpart reviewed the strong bilateral ties between the two countries in the political, economic, trade, cultural, defence and scientific fields. The two Ministers expressed satisfaction at the close similarity of views in several areas of common interest.

In his meeting with the Foreign Minister of Cuba, EAM sought and received a briefing on the health of President Fidel Castro. The two Ministers noted that the excellent bilateral relationship had developed over the years with contacts at the highest levels, and recalled in this regard the fact that Prime Minister Manmohan Singh had called upon President Castro in September 2006, on the margins of the Summit meeting of the Non-Aligned Movement in Havana. The two leaders also reviewed developments in the NAM, in context of Cuba's stewardship of the Movement. Following this meeting, EAM met the Foreign Minister of Slovakia. The two leaders agreed on the need build upon the commonalities in the bilateral relationship, predating Slovakia's current political configuration, the determination of the new Government of Slovakia to build relations with the Asian states, such as India, and the strategic partnership between India and the European Union, of which Slovakia is a member.

In the afternoon, in his meeting with the Foreign Minister of the United Arab Emirates, EAM underscored the need for the historic relationship of close people to people and cultural ties needed to expand rapidly, in particular, in the economic dimension. EAM pointed out that in India's rapidly-growing economy, there was considerable scope for investments from the UAE, in particular, in the expansion of India's infrastructure. Following this meeting, the Foreign Minister of Slovenia welcomed India's decision to open an Embassy in Ljubljana. He observed that the bilateral relationship had great potential for further development, in particular, in the Slovenian Presidency of the European Union in the first half of 2008. In his last meeting of the day, EAM discussed the situation in Afghanistan and the problem of climate change with the Foreign Minister of Canada.

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On the bilateral meetings of External affairs Minister Mr. Pranab Mukherjee in New York.

September 25, 2007

On Tuesday, September 25, the External Affairs Minister had bilateral meetings with the Foreign Minister of Albania and the Foreign Minister of Nepal. Apart from these bilateral meetings, the Minister participated in a meeting of the Non-Aligned Movement's Ministerial Committee on Palestine. He also met the Foreign Ministers of the Central American Integration System (SICA), and the Foreign Ministers of the Five Countries invited to the Summit meeting of the G-8 at the Heilegendamm Summit, namely, Brazil, China, India, Mexico and South Africa (G-5).

At the meeting with Foreign Minister Lulzim Basha of Albania, EAM welcomed the announcement that Albania would soon open its Embassy in New Delhi. The two Ministers agreed to develop the bilateral relationship, including in the trade and economic sectors. Towards this end, the Ministers decided to work towards early finalization of framework agreements to facilitate bilateral trade, economic cooperation and investment.

Following this, EAM met H.E Mrs. Sahana Pradhan, Foreign Minister of Nepal. The two leaders reviewed the excellent bilateral relationship, including bilateral economic and trade relations. They discussed current developments in the peace process in Nepal, and the state of preparations for the forthcoming Constituent Assembly elections. EAM reiterated his invitation for the Foreign Minister to visit India at her convenience.

The NAM Ministerial Committee on Palestine, which is composed of the representatives of former Chairs of NAM, met to review the situation in the Occupied Palestinian Territories. The group heard a briefing by the Palestinian leadership, following which EAM made an intervention in which he underlined the need to move forward on concrete projects and pragmatic action, aimed at providing results and solutions. While welcoming the resumption of the Palestinian-Israeli dialogue, he urged that this be sustained by a time-bound agenda. EAM reiterated that violence and counter-violence should be condemned, while noting that there could be no justification existed for the targeting of civilians and civilian infrastructure.

In the meeting with SICA, the Ministers underlined their interest in expanding cooperation between India and the nations of the group. EAM noted that a relaxation of the visa regime in the region, as applicable to Indians, would

lead to an increased volume of trade and investment flows between India and the region. Separately, Costa Rica, El Salvador and Nicaragua indicated their intention to open Embassies in New Delhi next year. EAM offered to host the next Ministerial meeting of India with SICA in New Delhi next year, and the offer was accepted.

The meeting of Foreign Ministers of the G-5 took place in fulfillment of the mandate given by their Heads of State/Government for them to meet on the margins of the 62nd UN General Assembly session. The Ministers discussed the Heilegendamm process, and explored ways of expanding consultation and cooperation amongst themselves and between the G-5 and the G-8 in areas of mutual interest.

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On the bilateral meetings of External affairs Minister Pranab Mukherjee in New York.

September 26, 2007

On Wednesday, September 26, the External Affairs Minister met the Foreign Minister of Brazil, HE Mr. Celso Amorim; the Deputy Prime Minister and Foreign Minister of Israel, H.E Ms. Tzipi Livni; the High Representative of the European Union for the Common Security and Foreign Policy, H.E Mr. Javier Solana; Secretary General of the North Atlantic Treaty Organization, Mr. Jaap de Hoop Scheffer, and the Secretary of State of the United States of America, H.E Dr Condoleezza Rice Separately, EAM participated in a Ministerial Meeting of the India, Brazil, South Africa (IBSA) initiative. He also Chaired an informal Ministerial meeting of the South Asian Association for Regional Cooperation (SAARC).

In the IBSA meeting, EAM and his counterparts, Foreign Minister Celso Amorim of Brazil and Foreign Minister Dr. Nkosazana Dlamini-Zuma of South Africa exchanged views on topics of mutual interest relating to the IBSA Dialogue Forum and the IBSA Fund for Alleviation of Poverty and Hunger. The Ministers also underlined their determination to strengthen political aspects of IBSA's work, including by focusing on reform of the United Nations, in particular the UN Security Council, calling for an immediate, elements-based, result-oriented intergovernmental negotiation to commence for expansion of the UN Security Council. The meeting also discussed preparations for the second IBSA Summit in South Africa in October 2007.

At the SAARC Meeting, the participants heard a report of the work of SAARC since the last Summit in New Delhi in April 2007 from the Secretary-General of SAARC. Members the eight-nation group discussed the need to expand cooperation in the SAARC framework, taking into account the concrete projects set by previous Summits and reviewing progress achieved thus far. Following the informal meeting, EAM hosted an iftar reception for participating SAARC delegations.

Earlier in the day, EAM had a series of bilateral meetings. The meeting with the Foreign Minister of Brazil was held in a warm atmosphere. Bilateral cooperation was reviewed, as well as the prospects for expanded cooperation, including in the defence sector, in alternative sources of energy, in economic and trade relations, in cultural exchanges, and also through further coordination in multilateral fora, in context of the similarity of positions and concerns of the two countries. At the meeting with the Deputy Prime Minister and Foreign Minister of Israel, the two leaders reviewed the cordial bilateral relationship, reviewing existing cooperation, and examining areas for further cooperation, such as high-technology. The leaders also had a cordial and frank discussion regarding the situation in the Middle East region.

During the meeting with the Secretary-General of NATO, there was a discussion on the international security situation, with particular reference to the situation in Afghanistan. The two leaders emphasized the importance of continued international cooperation in the reconstruction of Afghanistan. During EAM's meeting with the EU High Representative, Javier Solana, the two leaders reviewed preparations for the forthcoming annual India-EU Summit, in the overall context of further expansion of the rapidly-developing relationship, with particular emphasis on trade and economic aspects of India-EU relations. In the afternoon, at the meeting between EAM and the US Secretary of State, the two leaders reviewed bilateral relations across the gamut of items of cooperation. They also considered the international situation, and exchanged views on issues of concern.

Later in the evening, EAM left for Washington DC to lead the Indian delegation to the Major Economies Meeting on Energy Security and Climate Change, being convened by the Department of State of the United States of America.

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On the bilateral meetings of External affairs Minister Mr. Pranab Mukherjee in New York

September 27, 2007

The External Affairs Minister returned to New York from Washington DC on the evening of Thursday, September 27. In Washington, he led the Indian delegation at the Major Economies Meeting on Energy Security and Climate Change, convened by H.E Mr George W. Bush, President of the United States.

Shortly after his return to New York, EAM called upon H. E Mr. Mahmoud Abbas, President of the Palestine Authority. The meeting took place in a warm and cordial atmosphere, with the two leaders recalling India's historic and consistent support for the Palestinian people's struggle for a homeland of their own, and for the Palestinian people to attain their rightful place in the comity of nations. President Mahmoud Abbas briefed EAM about the situation in the region, and gave him an update on the current state of the Middle East peace process. EAM reiterated India's conviction that since force cannot resolve what is essentially a political dispute, a mutually-acceptable political solution must be found to resolve this dispute.

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On the bilateral meetings of External affairs Minister Mr. Pranab Mukherjee in New York.

September 28, 2007.

On Friday, September 28, the External Affairs Minister participated in a Ministerial meeting of the Asian Cooperation Dialogue. Thereafter, he attended a Ministerial meeting of the Coordination Bureau of the Non-Aligned Movement. EAM separately held bilateral meetings with H.E Mr. Mohammed Benaissa, Foreign Minister of Morocco; H.E. Mr. Ahmed Aboul Gheith, Foreign Minister of Egypt; H. E Mr. Bernard Kouchner, Foreign Minister of France and H.E Mr. Miguel Angel de Moratinos, Foreign Minister of Spain. EAM also called upon H.E Mr. Navinchandra Ramgoolam, Prime Minister of Mauritius.

The Foreign Minister of the Republic of Korea convened a Ministerial meeting of the 28-member Asian Cooperation Dialogue (ACD). The Ministers discussed the regional situation in the Asian continent, and reviewed ongoing cooperative endeavours within the group. The Ministers

discussed substantive ideas to begin a cultural dialogue within the ACD. The group noted the offer of the Government of Kazakhstan to host the next Ministerial meeting of the ACD in Astana in October 2008.

The meeting of the Coordination Bureau of the Non-Aligned Movement focused on an interactive discussion on "Concrete Measures to Strengthen the Capacity for Action of NAM". Members reviewed progress since the Havana Summit in September 2006. In his intervention, EAM underlined India's abiding commitment to the Movement, and the enduring relevance of the NAM in the current international context. He also pointed out that the strength of the Movement has historically been its inclusiveness, which enabled it to take into account the diverse interests of the 118-member group.

The meeting between EAM and his Moroccan counterpart was conducted in a warm and cordial atmosphere. The two leaders appreciated the fact that regular high-level bilateral interactions, and the growing bilateral economic relationship, were important indicators of a rapidly-developing relationship. In his meeting with the Foreign Minister of Egypt, EAM and his counterpart agreed to increase the frequency of high-level interaction. Both leaders noted the rapid development of economic relations and bilateral trade, but agreed that the existing potential was yet to be realized. The two Ministers agreed to consider expanding cooperation into new areas, such as the development of renewable sources of energy. They also exchanged views on the situation in West Asia. In his meeting with the Foreign Minister of Spain, EAM and his counterpart expressed interest in developing bilateral cooperation further, in particular, in the context of the threat posed to both India and Spain from international terrorism.

During EAM's call on the Prime Minister of Mauritius, the two sides reviewed the close bilateral relationship between the two countries. EAM thanked the Prime Minister of Mauritius for his strong support for India's candidature for a permanent seat in a reformed and expanded UN Security Council, in his statement to the UN General Assembly earlier today. The leaders agreed on the need to task their officials to further intensify the extensive bilateral economic relationship.

During his meeting with the Foreign Minister of France, EAM extended his congratulations to France upon the confirmation of Mr. Dominique Strauss-Kahn as Executive Director of the International Monetary Fund. The two leaders reviewed bilateral cooperation between the two countries, including in the defence, energy, science and technology and political spheres, and

expressed the intention to work together to increase bilateral cooperation. The two Ministers also reviewed the international situation, discussing issues of mutual interest.

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On the bilateral meetings of External affairs Minister Mr. Pranab Mukherjee in New York.

October 1, 2007.

On Monday, October 1, 2007, the External Affairs Minister delivered his statement at the General Debate of the 62nd UN General Assembly. He also addressed the Council on Foreign Relations, and participated in a public meeting organized by the Indian National Overseas Congress.

The Minister also held bilateral meetings with H.E. U Nyan Win, Foreign Minister of Myanmar, H.E Mr. Kenneth Baugh, Foreign Minister of Jamaica and H.E Mr. Ednan Karabaev, Foreign Minister of Kyrgyzstan. EAM also met H.E Mr. Ban Ki-moon, Secretary-General of the United Nations, and H.E Dr Srgjan Kerim, President of the 62nd UN General Assembly.

During his bilateral meeting with the Foreign Minister of Myanmar, the External Affairs Minister expressed concern at the current situation in Myanmar, noting that as a close and friendly neighbour, India hoped to see peace, prosperity and stability in Myanmar. The Minister also expressed the hope that the process of national reconciliation and political reform, initiated by the Government of Myanmar, would be taken forward expeditiously. Further, he suggested that the Government could consider undertaking an inquiry into recent incidents and the use of force.

In his meeting with the Foreign Minister of Jamaica, the two Ministers discussed the traditionally warm and cordial bilateral relationship. The Ministers agreed on the need to expand cooperation in particular, in developing human resources. In this context, focus areas identified included information technology and the medical sector. During the meeting between EAM and his counterpart from Kyrgyzstan, the two sides reviewed the progress in bilateral cooperation projects, including an India-Kyrgyz Information Technology centre, and other projects in the medical and food processing sectors.

During the meeting between EAM and the UN Secretary-General, the latter underlined India's important position in the international system,

and stressed the importance of India's continued support for the UN. EAM affirmed India's support for the UNSG's efforts to make the UN more efficient and effective. EAM and the UNSG also discussed the situation in Myanmar, apart from reviewing the status of the UN missions in Nepal and Afghanistan. EAM congratulated the UNSG for successfully organizing a number of high-level meetings on the margins of the current UNGA session, including the High-Level meetings on Climate Change and on Afghanistan.

In his meeting with the President of the UN General Assembly, EAM and the PGA discussed current issues on the Agenda of the 62nd UN General Assembly, including climate change and the reform of the United Nations. EAM also thanked the PGA for accepting India's invitation for him to preside over an informal session of the UN General Assembly, being organized to commemorate the first International Day of Non-Violence on October 2, 2007.

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On the International Day of Non-Violence and the meetings of the External Affairs Minister in New York.

October 2, 2007.

I: International Day of Non-Violence:

H.E. Mrs. Sonia Gandhi, Chairperson of the United Progressive Alliance of India, addressed an informal plenary session of the United Nations General Assembly today, thus launching the commemoration of the first International Day of Non-Violence, which falls on the birth anniversary of Mahatma Gandhi. H.E. Dr. Srgjan Kerim, President of the 62nd UN General Assembly, H.E. Mr. Ban Ki-moon, UN Secretary-General, and H.E. Dr. N Dlamini Zuma, Minister of Foreign Affairs of South Africa also addressed the meeting.

Thereafter, H.E. Mr. Pranab Mukherjee, External Affairs Minister, chaired a Round Table meeting that focussed upon the contemporary relevance of the Gandhian method of non-violence in the current international context. H.E Mr. Anand Sharma, Minister of State for External Affairs, was also present on this occasion. The participants included UN Deputy-Secretary-General H.E Mrs. Asha Rose Migiro, and several other Heads of Delegations to the UN General Assembly. The panellists included eminent intellectuals, thinkers and Gandhians, such as Dr. Ahmed Kathrada, Prof. Amartya Sen,

Dr. Ela Gandhi, Dr. Gene Sharp, the Rev. Jesse L. Jackson Sr., Prof. Johan Galtung, Prof. John Nash and Dr. Lia Diskin. The discussions were moderated by Mr. Dileep Padgaonkar. Subsequently, H.E. Mrs. Sonia Gandhi joined the Panelists and other dignitaries at lunch following the Round Table.

In the evening, H.E Mrs. Sonia Gandhi inaugurated a photographic exhibition entitled "Gandhi and Global Non-violent Awakening" at the UN premises. Separately, a documentary film entitled "Mahatma- The Great Soul" was screened at the Dag Hammarskjöld Auditorium at the UN Building. A Special Cancellation was also issued by the UN Postal Administration to mark the International Day of Non-violence. This cancellation will be used by the UN through the month of October 2007.

II: UN General Assembly:

On the margins of the General Assembly and the commemorative events to mark the first International Day of Non-Violence, the External Affairs Minister met H.E Mr. Manouchehr Mottaki, Foreign Minister of the Islamic Republic of Iran, and H.E Dame Billie Miller, Foreign Minister of Barbados.

During EAM's meeting with the Foreign Minister of Iran, the two leaders reviewed the historical and traditional bilateral relationship, and reviewed areas of bilateral cooperation. EAM and the Foreign Minister also reviewed the situation in Afghanistan. The two Ministers agreed that the bilateral Joint Commission should meet soon.

Later, at the meeting between EAM and the Foreign Minister of Barbados, the two reviewed the bilateral relationship, and agreed to find ways of increasing existing bilateral cooperation, in particular, technical cooperation in areas such as Information Technology.

The Minister's last engagement in New York included an interview with Charlie Rose of PBS, after which he participated in the inauguration of the photographic exhibition, "Gandhi and Global non-violent awakening", by H.E Mrs. Sonia Gandhi at the United Nations.

(Following these engagements, EAM left New York for the United Kingdom.)



044. Statement by Finance Minister P. Chidambaram as Special Envoy of the Prime Minister during the High-Level event on Climate Change convened by the UN Secretary-General: "The Future in Our Hands: Addressing the Leadership Challenge of Climate Change" at the Thematic Plenary on "The challenge of adaptation - from vulnerability to resilience".

New York, September 24, 2007.

Honourable Co-Chairs,

May I begin by expressing our appreciation for the initiative of the Secretary-General in convening this High-Level Event. I am confident that this event will assist in moving forward the process in the United Nations Framework Convention on Climate Change [UNFCCC]

Like many developing countries, India is an energy deficient country. In 2006-07, we produced 662 billion units of electricity from all sources for a population of over a billion people. Energy is the sine qua non of development. We are obliged to explore every option available to us to produce or procure energy. However, we are profoundly concerned about environmental degradation and climate change.

Our per capita consumption of energy is 530 kgoe of primary energy compared to a world average of 1770 kgoe. Our per capita emission of CO₂ is among the lowest in the world: it is approximately 1 tonne per annum as against a world average of 4 tonnes per annum. Currently, developing countries bear an inordinate share of the burden of Climate Change, though this is due to the high-level of emissions of developed countries. Developing countries are, therefore, obliged to significantly augment their capacity to cope with and adapt to climate change.

We acknowledge the principle of common but differentiated responsibilities. We uphold the view that adaptation is the key for developing countries and that it needs to be adequately resourced without diverting funds meant for development. In any case, development is the best form of adaptation.

Adaptation has been integral to India's development process. We are challenged constantly by climate variability. We spend every year over 2

percent of our GDP in development measures with strong adaptation content like cyclone warning and protection, coastal protection, flood control, drought relief, and food security.

In 2001, we passed the Energy Conservation Act. We have notified an Energy Efficiency Code for new commercial buildings.

A new Electricity Act was passed in 2003. The Act mandates the procurement of electricity from renewables and has given a major fillip to the wind energy sector.

In 2006, the Government of India adopted a National Environment Policy. This year, we set up a special committee to look into the impact of climate change. The committee will study the impact of anthropogenic climate change on India and identify the measures that we may have to take in the future. In addition, we have constituted a Council on Climate Change chaired by the Prime Minister to coordinate national action plans.

We have taken a number of measures that are inherently supportive of sustainability and clean development. We have insisted on the use of CNG for public transport; we have introduced the metro rail in many cities; and we have commenced a major bio-diesel program including mandatory blending of ethanol in petrol.

We have also launched the Green India project that will be the world's largest afforestation project covering six million hectares of degraded forest land.

We have managed the demand side through targeted interventions. As a result, we have raised energy efficiency in all the major energy intensive sectors - steel, aluminium, fertilizer, paper and cement. We propose to make available Compact Fluorescent Lamps at the price of normal incandescent bulbs.

Honourable Co-Chairs,

The earth's atmosphere is a common resource for all of humankind. The problem lies not in accessing this resource but in its excessive usage. India is committed to sustainable development, and that means sustainable patterns of production and consumption.

India is also fully sensitive to the concerns of small island developing states that arise out of climate change and will join efforts to assist the small states.

The Prime Minister of India has made the offer that India's per-capita GHG emissions would at no stage exceed the per capita GHG emissions of developed countries. This is the starting point to reach a just and fair agreement.

Adaptation can become a reality if we are able to put new and intelligent technologies to use. We urge the countries of the world - especially the developed countries - to seize the opportunity.

Thank you.



**045. Remarks by External Affairs Minister Pranab Mukherjee
at the Meeting of Major Economies.**

Washington (D. C), September 27, 2007.

Your Excellencies, Distinguished Delegates,

Please allow me to begin by thanking President Bush for this timely initiative on Energy Security and Climate Change, two of the most daunting challenges confronting the world today.

We are happy to note that this is a meeting of major economies, which allows for exploration of opportunities for large scale cooperative action on Energy Security and Climate Change. In India's case, we have a very small individual carbon footprint with per-capita CO₂ emissions being just about a quarter of the world's average. However, our willingness to engage in finding practical, pragmatic solutions, and cooperating in advanced clean technologies for the benefit of entire humankind are second to none.

Ladies & Gentlemen,

Energy security is a matter of considerable concern to us, given the direct link between energy consumption and human development. The imperative of meeting our people's aspirations for a better life, demands that India grow rapidly at around 8% - 10% each year in the coming decades. India needs to substantially increase per-capita electricity consumption and cannot compromise on this. Rapid economic growth and concomitant energy production and electricity consumption will increase CO₂ emissions. However, we are determined that even as we pursue economic growth, our per-capita GHG emissions will not increase beyond those of the industrialized countries.

India's efforts include increased energy efficiency and conservation and the use of renewable and clean energy like nuclear. With about 7,000 MW of installed wind-power, we now have the fourth-highest wind generated electricity capacity in the world. Targeted demand side management programmes have brought energy efficiency in India in all the major energy intensive sectors - steel, aluminium, fertilizer, paper and cement - to global levels. We have also made other efforts. These include introducing CNG for public and private transport in metropolitan areas, metro rail networks, a major bio-diesel program and the blending of ethanol in petrol. One of the world's largest afforestation efforts in recent times called Green India, covering six million hectares of degraded forest land, is underway in India.

Distinguished Delegates

India faces extreme climate variability. We spend more than 2 percent of our GDP each year in development measures with strong adaptation content like cyclone warning and protection, flood and drought control and relief and food security measures. Further global warming is inevitable as a result of the accumulated concentration of GHG in the atmosphere caused by emissions from the industrialized countries. The key issue for India and other developing countries is developing the ability to cope with the adverse impacts of Climate Change and adapt to it. This requires technological and financial resources that can only come through development, which, without doubt, is the best form of adaptation. The time is not ripe for us to take on quantitative targets of emissions limitation. These would be counter-productive and have a negative effect on our development process. Developed countries need to continue to take the lead in accordance with the principle of common but differentiated responsibilities.

In this context, we are pleased by this meeting's emphasis on technology. Any long term solution to climate change requires the development and diffusion of technologies for adaptation. We would urge research & development in clean technologies that could be advanced through programmes of collaborative R&D between institutions in developed and developing countries. The sharing of IPRs is crucial. A more fair balance between rewards to the innovator, and the global imperative of sustainable development, is essential, if large-scale deployment of advanced, clean technologies is to occur. Technology control regimes need to be dispensed with for advanced clean technologies. Standards and priorities should reflect the developmental context to which they apply.

Ladies & Gentlemen,

We appreciate the lead taken by the USA in hosting this meeting, which is bound to throw up a rich variety of diverse ideas. We are confident that this meeting will greatly facilitate negotiations at the United Nations Framework Convention on Climate Change.

Thank You



046. Statement by Deputy Permanent Representative at UN Ajai Malhotra at the 31st Annual Meeting of Ministers for Foreign Affairs of the Group of 77.

New York, September 27, 2007.

Mr. Chairman,

At the outset I would like to congratulate Pakistan for the able leadership provided to the Group of 77 since the beginning of 2007 and for promoting the Group's interests at UN fora.

I would also like to warmly greet Antigua and Barbuda on its election as the Chairman of the Group of 77 for the year 2008. We wish Antigua and Barbuda a very productive tenure as our Chair and reiterate India's whole-hearted support to it in pursuit of our common goals and objectives.

Mr. Chairman,

At the Millennium Summit seven years ago, we set ourselves the target of achieving the Millennium Development Goals by 2015. We are at the half-way mark today. Yet, despite best efforts and notable successes, many developing countries are unlikely to achieve the targets set. Full implementation of MDG 8 - the global partnership for development - is essential in order to assist developing countries in their efforts to achieve the MDGs. To do so, the commitments made by developed countries regarding official development assistance, trade, technology transfer and enhanced market access must be fulfilled. We note with concern that, unfortunately, the trend is in the opposite direction.

Not only has there been a drop in ODA during 2006, but a substantial part of

ODA is being channeled towards debt relief, with no additional or new resources being made available. Given that the process of debt relief has been largely completed for most donors, the prognosis remains grim for a future increase in aid so as to reach the targeted 0.7% of GNI. Moreover, there is an upward trend in overall resource transfer from developing to developed countries. Real and effective technology transfer needs to take place to developing countries, and it is time that the IPR regime looks at balancing the rewards to the innovator with the benefit to humankind. In this regard, we fully support the newly strengthened Economic and Social Council promoting awareness and giving policy guidelines in the area of development cooperation, and following-up on major UN Summits and Conferences.

In this context, the implementation of the outcomes of the Monterrey Conference, on creating an international economic environment conducive to development and ensuring that predictable and sufficient resources are made available to developing countries to pursue their development policies, remain a central objective. Unfortunately, progress remains limited. Recent turbulence in the financial markets has demonstrated yet again the potential threat to the 'real' economy and, consequently, to development policies, posed by esoteric and speculative financial products, and the need for more effective surveillance of such transactions.

At the same time, a comprehensive review of the international economic and financial architecture, so as to ensure a greater voice and increased participation by developing countries in decision-making and norm setting processes, continues to elude us. There is a need to intensify our efforts in order to achieve tangible progress in this area. We appreciate the offer of the Government of Qatar to host the Monterrey Review Conference in 2008, and we hope that the Conference will undertake a detailed review of progress made and enable us to chart the way ahead.

Mr. Chairman,

The Doha round of trade negotiations must ensure the primacy of the development dimension. Subsistence farming in developing countries cannot be compared with the enormously subsidized farming that takes place in developed countries. It is unfair to link progress on this issue with NAMA. It is important for developing countries to maintain flexibilities and preserve policy space particularly in the context of NAMA, in order to avoid the danger of deindustrialisation for some developing countries. The overarching principle of special and differential treatment remains a categorical imperative. We hope that our developed country partners will show the necessary flexibility so that progress in the negotiations is achieved.

Recent meetings at the UN General Assembly and other fora have highlighted the urgent need to address the issue of global warming and climate change, on the basis of common but differentiated responsibilities and respective capabilities. We look forward to the UNFCCC meeting in Bali later this year and hope that developed countries will commit to, and implement, sharper emission reduction targets for the post-2012 period under the Kyoto protocol. We also underline the need for additional financial resources, technology transfer, and capacity enhancement in developing countries, in order to assist them in to address climate change and related concerns. Sustainable development must be promoted in a holistic manner through its three pillars of economic development, social development, and environmental protection. On our part, we are determined that even as we pursue economic growth, our per-capita GHG emissions will not increase beyond those of industrialised world. At the same time, we are sensitive to the genuine concerns of small island developing countries arising out of global warming and climate change and will join efforts to assist them.

Mr. Chairman,

The need for unity and solidarity among developing countries remains crucial. The singular success of this Group has been in its ability to project our common interests with one voice and the continued cohesiveness of the Group remains key to ensuring that the interests of developing countries are adequately protected and promoted. It is satisfying to note that even in areas where some of our members have somewhat varying concerns, the Group has been able to coalesce around common elements.

Our diverse membership in turn brings a wide range of concerns to the fore. However, we must be cognizant of the need to specifically address the concerns of the Least Developed Countries, the Landlocked Developing Countries, the Small Island Developing States, the African countries and others who are vulnerable and need our support.

Mr. Chairman,

The Group of 77 has a special role to play in promoting the common interests of developing countries and in fostering South-South cooperation. India is already active in sharing its developmental experiences with numerous partner countries, as also its expertise in certain areas of capacity building and technology. India intends to further expand and intensify such cooperation with our developing country partners in the years ahead.

Thank you, Mr. Chairman.



047. Address by Smt. Sonia Gandhi Chairperson of the UPA to Indian Overseas Congress and other Indian Organisations in New York.

New York, October 1, 2007.

Foreign Minister P K Mukherjee

Minister Vayalar Ravi

Dr Karan Singh

Minister of State Anand Sharma

Ambassador Sen

Dr Malhotra

Shri George Abraham

Friends,

I am very happy to be back with the Indian National Overseas Congress after six years. The warmth of your reception is still fresh in my memory. Today too, you have made me feel completely at home with your gracious welcome.

I came here last time as Leader of the Opposition. This time, I stand before you as the Chairperson of the United Progressive Alliance.

In 2004, the people of our country gave us the mandate.

It was a mandate to restore the secular foundations of governance, to revitalise the wellsprings of harmony and tolerance in our diverse society.

It was a mandate to make the process of economic reforms more inclusive, and economic growth more equitable.

Significant steps to fulfil that mandate have been taken.

Our government, as you well know, is a coalition government. Being in coalition at the Centre is a new experience for the Congress but we have adapted well. We have not compromised on our basic values and principles. The National Common Minimum Programme which is the agenda for the coalition and its partners, is largely derived from the Congress Party's own manifesto. Sometimes a great deal is made in the public domain of the

opinions expressed by our friends who support our coalition. This should not alarm you. We believe it is important to listen to all points of view. This only strengthens the democratic process and helps to arrive at a consensus.

I come here at a time of extraordinary interest in our country, in its progress and its achievements.

The manner in which in the course of sixty years we have nurtured and deepened parliamentary democracy, managed the multitude of our diversities, accelerated economic growth, the manner in which we are empowering the disadvantaged, all this is a matter of National Pride. This has been possible chiefly because of the vision, direction and tremendous sacrifices of our Founder Fathers, the leaders of the Congress Party.

Tomorrow, I speak at the UN on the occasion of the declaration by the General Assembly of Mahatma Gandhi *Jayanti* as International Non-violence Day. This is a collective homage of the world community to one of the greatest men of all time for which we are grateful.

Since I was here last, the tragedy of 9/11 took place in this city itself. Our hearts went out to all Americans. We all saw with admiration how magnificently the people of New York had rebuilt their lives after that terrible trauma.

India has been confronting the scourge of terrorism for a very long time. Indeed, Gandhiji himself fell to the bullet of a fanatic. Two of our own leaders have fallen victim to terrorism.

We have had a number of terrorist attacks in the last few years in different parts of our country. What is remarkable is the resilience of our people and how these attacks have not succeeded in damaging the bonds of social harmony in our society.

Terrorism in the name of religion is a negation of all that every religion stands for - peace, compassion and understanding. We must combat terrorism. At the same time, we must ensure that no community feels under siege or sees itself a target of automatic suspicion. Our party's guiding philosophy has always been '*Sarva Dharma Sambhava*' or equal respect to all religion; similarly it has been to fight fundamentalism and communalism of any and every shade.

India's economic growth is one of the highest in the world. This is creating new prosperity and opening vast new employment opportunities. But there

are still many regions of our country that are lagging behind. In keeping with our Party's priorities, while fully supporting business enterprise investments, we are making special efforts to improve the quality of our human capital. In the last three years we have significantly increased investments in areas like education, nutrition and health. Agriculture is being revitalized. A far-reaching rural employment guarantee programme has been launched, covering all the districts of the country. A new legislation for social security for workers in the unorganised sector (that accounts for over 90% of our work force) has been introduced.

In the last few years we have also been able to build new partnerships with Indians living overseas. The huge remittances being made by all of you back home is a major source of strength for our economy. Remittances apart, many more Indians are coming back to start new ventures and businesses and to work in universities, research institutions and companies. There was a time when people used to complain of a "brain drain". But Rajivji's belief that Indians living and working abroad were actually a "brain bank" has been proved correct. It is gratifying that a large number of Indians are supporting worthwhile social causes through NGOs in areas like education and rural development. However, I would like to add a word of caution here. Not all NGOs are noble in their intentions or transparent in their activities. If they are engaged in activities that damage our secular heritage we must be wary of them.

Our government in May 2004 set up a separate Ministry of Overseas Indian Affairs. The grant of Overseas Citizenship of India to all Persons of Indian Origin where local laws permit dual citizenship (in some form or the other) has also been announced. A number of internship and scholarship programmes for young men and women have been started. The Ministry is launching a new scheme to provide assistance to women deserted by their Overseas Indian spouses, which I am told, has emerged as a serious problem.

The Indian community in the USA is huge success story of its own. No other community has excelled itself in so many fields in so short a time. You have shown your capabilities in many areas of endeavour, using your education and skills, and the boundless energy and capacity for hard work. Many of you had to struggle much harder than others. You deserve our praise and admiration. Your achievements bring great credit to India and we applaud you. Even more, we see you as a bridge between our two democracies.

We see you as our voice to this continent. I am sure you will continue to

propagate the message of Indian National Congress with clarity and conviction. The world must know of our deep commitment to secular democracy and pluralism. They must hear of our vision and values. As we continue our challenging and onerous tasks of governance at home we look to you to spread our message. We are partners in this great endeavour of building a new and prosperous India. I know we can count on you to give your best and keep our flag flying high.

I wish the Indian National Overseas Congress all success. I compliment Dr Malhotra and his colleagues for organising this meeting – they have worked very hard. I extend in advance my greetings to you all for the auspicious festivities of *Eid, Dussehra and Dipawali*.

Jai Hind.



**048. Statement by External Affairs Minsiter Pranab Mukherjee
at the General Debate of the 62nd UN General Assembly.**

New York, October 1, 2007.

Your Excellency, Mr. President, Excellencies, Ladies and Gentlemen,

Kindly accept my congratulations on your election to the Presidency of the 62nd session of the UN General Assembly. My delegation assures you of its full co-operation as we address issues identified in the Annual Report of the Secretary-General and responsibly and creatively move forward with pending reforms to this Organization.

Mr. President, At the outset I would like to express India's deep gratitude to all Member States for the unanimous adoption recently by the UN General Assembly of the resolution to annually observe the International Day of Non-Violence on October 2, the birth anniversary of Mahatma Gandhi. I also look forward to participation by Member States in the informal UNGA Plenary and other functions being organized tomorrow at the United Nations to mark the first International Day of Non-Violence.

Mr. President, The topic for this year's debate - Responding to Climate Change - is both timely and relevant. India's views on it have recently been set forth at the high-level event on Climate Change here last week. Combined with the exchange of views in the General Debate, it will no

doubt provide a useful backdrop to the meeting of the UN Framework Convention on Climate Change to be held later this year in Bali, Indonesia. The impact of climate change and environmental degradation falls disproportionately upon developing countries. Developing countries, are the most vulnerable to it, and also lack the means to tackle it.

Measures to address climate change must be based on mitigation and adaptation strategies with fair burden sharing and measures to realize sustainable patterns of consumption and production. The process of burden sharing must also take into account where the primary responsibility for the present state of GHG concentration in the atmosphere rests and not foreclose rapid and sustained economic development for the developing world, which, in any case, is an imperative for adaptation.

Technology is the other key area that needs to be addressed. It is important that critical clean technologies are made available and affordable for developing countries. The IPR regime must balance rewards for innovators with the common good of humankind. Concerted international action to address climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities, as also national circumstances and social and economic conditions, is the need of the hour. India, for whom energy security is a national imperative, has a very small individual carbon footprint with per capita CO₂ emissions just about a quarter of the world's average. Even then, we are determined that even as we pursue economic growth, our per capita GHG emissions will not increase beyond those of the industrial countries.

Mr. President, Poverty and underdevelopment are amongst the central challenges of our times. The overarching requirement is for sustained economic growth to eradicate poverty in developing countries. However, economic growth must also be measured against the template of social inclusion. Growth alone is not enough if it does not produce benefits that are sufficiently dispersed, not only in terms of increased income and employment but also for improved health, nutrition, and education for all.

I affirm India's resolve to achieve the internationally agreed development goals, including the Millennium Development Goals. The Government of India accords the highest priority to inclusive growth, including the political, legal, educational and economic empowerment of women, effective and affordable public health and enhanced access to educational opportunities, especially for all those who are disadvantaged.

It is apparent that progress in the achievement of the internationally agreed development goals has been tardy. The international community, through the UN system, must more effectively support the efforts of developing countries to achieve the development goals. A comprehensive reform of the international financial architecture is a key ingredient in this process. The United Nations must play an important role in overseeing the reform of the international financial architecture. This should include measures to ensure a greater voice for and participation by developing countries in the Bretton Woods Institutions. The process of reform must be carried to its logical conclusion if the credibility of these institutions is to be enhanced.

We must also address as a priority the regrettable inversion of global resource flows. Today, instead of the urgently needed inflow of resources to developing countries to buttress their national economic development plans, we are confronted with a net outflow from them. Official Development Assistance showed a marked fall during 2006, and remains well below the target of 0.7% of GNP. It is primarily being used to finance debt relief. That this is happening after so many years of liberalization and globalization highlights our collective failure. Perhaps we should be considering mechanisms such as an international debt commission to redress the problem of developing country debt. The LDCs, who are particularly hard hit by rising energy costs, find themselves in an even more difficult situation. Enhanced and predictable resource flow to developing countries remains a key objective of the global partnership for development. India will continue to do what she can to help with capacity building in other developing countries, and to assist them through ODA within the limits of our capacity. By the end of the year, LDC imports into India will face a zero tariff regime.

Early and substantive progress at the Doha round of trade negotiations, based on the primacy of the development dimension, is another imperative. We must return to the negotiating table with a redoubled sense of urgency, while recognizing that adherence to the existing mandate remains critical. Nor can the interests of subsistence farmers be ignored or equated with those of other sectors. An illogical linkage between agriculture and NAMA will only complicate the developmental impact of the round. The overarching principle of special and differential treatment for developing countries remains a categorical imperative.

Mr. President, As part of India's commitment to the achievement of human rights for all, and as a member of the Human Rights Council, we remain actively involved in developing the institutional framework of this body,

including the Universal Periodic Review Mechanism, based on effective international cooperation as a central principle in the Council's method of work. India will work towards developing an international normative framework for promotion and protection of human rights. India is honored to be one of the first signatories of the International Convention for the Protection of all Persons from Enforced Disappearance. Earlier today, I also had the honour of depositing India's instrument of ratification of the UN Convention on the Rights of Persons with Disabilities.

As the largest democracy in the world, India has developed a system of local self-government with democratically-elected institutions of representative government at all levels, i.e., the village, the district, the state and at the national level. The effort to make participatory democracy more meaningful to every Indian citizen underpins what is perhaps one of the greatest social experiments in the world today, namely, the transfer of decision-making power to nearly one million elected women local government representatives. As a result, women are not merely the beneficiaries of change in India, but are its instruments.

As the world's largest democracy, it was also natural for India to support the establishment of the UN Democracy Fund. We had made an initial contribution of \$10 million to this Fund and remain actively and constructively involved in realizing the objectives for which it has been set up. As a small token of our commitment to this laudable initiative, I have the privilege of announcing a further pledge of \$10 million to the UN Democracy Fund.

Mr. President, The international system cannot be reordered meaningfully without comprehensively reforming the United Nations. If the Organization is to remain the cornerstone of the international architecture in this century, it cannot remain mired in the realities of the 1940s. Despite substantive implementation of the UN reform agenda that emerged from the Outcome Document of the World Summit in 2005, such reform will inevitably remain incomplete without comprehensive reform and expansion of the Security Council, and revitalization of the General Assembly. Elements and ideas on the reform of the Security Council have been discussed for well over a decade, through numerous reports and interminable consultations. It is now time for inter-governmental negotiations to commence in order to make the Security Council more democratic, representative and responsive. We, with partners from Africa, Latin America and Asia, tabled a resolution on September 11, 2007, spelling out the principles on which reform ought to be based if it has to be meaningful. These principles are: expansion in both

permanent and non-permanent categories of membership; greater representation for developing countries, including representation for developed countries that is reflective of contemporary world realities; and comprehensive improvement in the working methods of the Security Council, including ensuring greater access to island and small states. We welcome recent statements from this podium by President Bush of the USA and other world leaders on the need for UNSC reform in both permanent and non-permanent categories. It is high time that we collectively brought these ideas to implementation.

Mr. President, Reform of the United Nations would also be incomplete without revitalization of the General Assembly. The central goal of such revitalization must be the restoration and enhancement of the role and authority of the General Assembly, as originally envisaged in the Charter.

Given the significance of developmental activities for the developing world, India sees a corresponding need for the reform of UN's operational activities for development. Since these activities are aimed at supporting the work of Member States, it follows that Members must determine their direction and shape through an intergovernmental process. The litmus test for any reform proposal is whether it improves the support extended by the UN to the efforts of programme countries. India would, therefore, judge reform proposals by their impact on the ground, the resultant improvement in the effectiveness of the system, and by the impact on transaction costs for the UN development system.

Mr. President, Steps to achieve the complete elimination of nuclear weapons have also only made limited headway. Despite some progress, the world remains far from achieving the objective of total elimination of nuclear weapons. India's long-standing commitment to universal, non-discriminatory and comprehensive nuclear disarmament is embodied in the vision of late Prime Minister Rajiv Gandhi for a "nuclear-free and non-violent world". This vision was put forward nearly two decades ago.

It remains undiminished today. Indeed, it is all the more relevant today, given the fact that peaceful uses of nuclear energy can address the inexorably growing demand for new and non-polluting sources of energy to fuel economic development. We will be bringing proposals to member states and this organisation to see how we can refocus on general and complete disarmament, particularly nuclear disarmament. It is disarmament that is our agreed goal, and that subsumes arms control and non-proliferation.

It is well known that India has an impeccable record in preventing the proliferation of sensitive technologies. This is in keeping with our commitment to being a responsible nuclear power. India is ready to work with the international community to develop a new international consensus on non-proliferation. The international community needs to intensify the effort to address the very real threat posed by the link between proliferation of WMDs and related materials and technologies to non-state actors. The risk posed by the intersection between proliferation and terrorism is real and serious. The central objective must be to ensure that our solidarity in words is translated into action.

Mr. President, The adoption of the United Nations Global Counter-Terrorism Strategy last September was a noteworthy development, signaling the will of the international community to combat this menace in a holistic and coordinated manner. Welcome as the strategy is, there is much more that needs to be done to combat the menace that international terrorism has become. India is convinced that without the early adoption of the Comprehensive Convention against International Terrorism, the global struggle against terrorism remains incomplete and likely to succeed only partially. We must ensure that there is zero tolerance for all forms of terrorism.

Mr. President, In conclusion, I would express the hope that our deliberations in the year ahead will lead us to enlightened action. With maturity and resolve we will successfully overcome the many challenges before us.

Thank you Mr. President.



049. Interview of External Affairs Minister Pranab Mukherjee by Charlie Rose and aired on PBS.

New York, October 2, 2007.

CHARLIE ROSE, HOST: Welcome to the broadcast. India recently celebrated the 60th anniversary of its independence. New York hosted a series of events last week called "India at 60" to mark the occasion. Tonight, we consider India from two perspectives. We begin with the foreign minister, Pranab Mukherjee.

Pranab Mukherjee, Foreign Minister, India: I don't think that there is anything to containing Tehran, because we do not believe in containing anybody. We believe that there's enough space to grow together to accommodate each other's legitimate aspirations. But if the aspirations become illegitimate, I can't tell.

Charlie Rose: And we conclude with Nandan Nilekani, chairman of Infosys and one of India's top business leaders.

Nandan Nilekani, Chairman, INFOSYS: Well, I think ...

Charlie Rose: Political tensions.

Nandan Nilekani: No, you hit the nail on the head. I mean, if you don't create a broad base of support for reforms and free markets and governments start losing, then they lose their appetite for reforms, and then they're quite liable to take decisions that are politically expedient, but they're not with the right set of reforms, and then the whole thing could start slowing down. I think that's the fundamental worry that everybody has.

Charlie Rose: India for the hour, coming up.

Charlie Rose: Pranab Mukherjee is here. He is the foreign minister of India. He was previously defense minister in the current government. He is leading India's diplomacy at a critical time. The country is widely recognized a growing power on the world stage. Recent years have also seen a deepening relationship between India and the United States.

In March 2005, U.S. Secretary of State Condoleezza Rice announced that it was U.S. policy to help India become a world power.

The foreign minister is here for meetings at the United Nations. He also met with Secretary Rice last week. I'm pleased to have him here at this table for the very first time. Thank you for coming.

Pranab Mukherjee: Thank you.

Charlie Rose: You have had -- and I just want you to reflect on this first -- a remarkable live in government. You've been finance minister.

Pranab Mukherjee: I have been.

Charlie Rose: Defense minister.

Pranab Mukherjee: Yes.

Charlie Rose: Now, foreign minister, or external affairs minister.

Pranab Mukherjee: And I was also (inaudible) trade minister ...

Charlie Rose: Yes.

Pranab Mukherjee: And I was also the Chairman of the Planning Commission which is the national planning body. And, of course, I held that charge simultaneously with trade ministry and foreign ministry.

Charlie Rose: You are a living embodiment of Indian history. Tell me what are the critical moments that you have seen in your country's history.

Pranab Mukherjee: Several critical moments, not one. For instance, immediately when we came to office in the '70s, we had confrontation with Pakistan, as a result of which a new nation was born, Bangladesh. Immediately after that, we had to confront with the first oil crisis. Substantially, our import cost on energy increased. Thereafter, we had very acute food shortage and very high rate of inflation because of severe drought.

Then, because of certain internal disturbance, we had to declare emergency. And for the first time, Indian National Congress was defeated in the general election of 1977, including Mrs. Indira Gandhi, myself, and a whole...

Charlie Rose: Yes.

Pranab Mukherjee ... host of others. Then we came back in 1980. We had problems. Mrs. Gandhi was assassinated at the hands of the terrorists. He was - she was succeeded by Mr. Rajiv Gandhi. We had massive majority in (inaudible) elections, parliament elections, and subsequently provincial parliament's election, but unfortunately again we lost after five years. And then Mr. Rajiv Gandhi was assassinated. That means in a short period of seven years, less than 10 years, we lost two permanent leaders of our party.

Charlie Rose: Mother and son.

Pranab Mukherjee: Mother and son, and both became the victims of terrorists. Thereafter, we had again (inaudible) congress government. And we made a remarkable change. We came out of our old economic policies and we introduced revitalized economic policy. The present prime minister was the finance minister at that point of time.

Charlie Rose: 1991.

Pranab Mukherjee: 1991. And it unleashed the latent energies of the entrepreneurs and private sectors. And thereafter, we entered into a steady growth rate of GDP over the period of more than 15 years. And last two decades, we have registered the GDP growth of 6 percent. Prior to that, our growth rate was steady around 3.5 percent. And now Indian economy is robust.

Charlie Rose: What role does India want to play in the world today, with its economic power, with its growing prominence? With its nuclear capability? With its place in the geography of the world?

Pranab Mukherjee: I would like to suggest that these are all incidental, but the basic things are certain values. This morning, the United Nations declared as International Nonviolence Day, being the birthday of Mahatma Gandhi. Yesterday, I've heard (ph) this because India's importance and prominence is because of certain values. And these values, we're inculcating from the days of our freedom struggle, what we believe.

First, this is the largest functional democracy.

Charlie Rose: In the world.

Pranab Mukherjee: 700 million electors are participating in (inaudible) 143 elected members having an average of 1.2 million voters per constituency. Secondly, we believe in inclusive groups. And when you talk of democracy, democracy is not merely a form or structure of government. We mean democracy, we offer (ph) decision-making, internally and it is equally externally.

Then we want growth. But growth is not merely in statistical terms. Inclusive growth, both domestically and in our relations with external countries. Then, basically, which is the inherent strength of India, its pluralism. Cultural pluralism, ethnic pluralism, linguistic pluralism -- and these diversity -- and the religious pluralism -- you name any religion, you'll find it in India.

Charlie Rose: And the second largest Muslim ...

Pranab Mukherjee: And second largest Muslim population, 147 million.

Charlie Rose: A right to be proud. Do you think you'll gain a seat on the U.N. Security Council?

Pranab Mukherjee: We do believe that India should get a seat in the Security Council, because first we believe -- not only we, we believe certain other countries should also have its place in the Security Council, because in 1945 when these institutions were created, since then world has undergone major changes. And they have spoken of the India change itself. Similarly, all over the world, changes have taken place. Therefore, in the functioning of the United Nations, in its structure and in its contents, it should reflect the contemporary realities. That's why the reforms of the United Nations is necessary, and, of course, India considers it qualifies all the ingredients necessary to be a permanent member of Security Council.

Charlie Rose: I'm sure you made that point well.

The most important thing, according to Nick Burns, who was on this program last night, the State Department official who has had the closest relationship with India, worked very hard on the nuclear agreement, was there right before we went there last year.

He said this is perhaps the single most important initiative that India and the United States have agreed to in the 60 years of the relationship. There's some quarters of America where they don't approve of that agreement, as you know. Some are represented in the Senate. It is because they see it as rewarding someone who was not part of the treaty.

Pranab Mukherjee: NPT.

Charlie Rose: Why is it -- the NPT, Non-Proliferation Treaty. Why is it so important to you and your development as a nation?

Pranab Mukherjee: You know, as I mentioned to you earlier, that we require economic growth, of course, we require growth for -- with justice. Growth with equity and inclusive growth, (inaudible) of all. But nonetheless, growth is important. We cannot share poverty. We can share prosperity.

If we want to have growth, then we require energy. And it is one of the cleanest (ph) energy. Now people are talking of climate change.

Environmental concerns is there, and it is rightly so. We have to leave this world for the living for the next generations.

But if we want clean energy, therefore we must have access to civilian nuclear program. That's why it is important. And not merely it is important from economic point of view. We also require access to superior technology. After all, technology is the power. Technology, with its proper application, can lead to the prosperity. And its mindless application can bring disaster. But we would like to apply it with a purpose, and the purpose is for the benefit not only of the Indians, but for the people of the whole world.

Charlie Rose: One non-proliferation expert in the United States said, "The deal is a complete capitulation to existing U.S. laws that helps India reprocess fuel from a reactor to produce plutonium, which could be used in bombs, and it dilutes strict conditions that Congress has placed on (inaudible) India test a nuclear weapon again."

Pranab Mukherjee: Look, so far the U.S. laws are concerned, we are fully aware of U.S. laws. But here, I would like to make one point quite clear: When we did not agree to sign Non-Proliferation Treaty, it is not that we disagreed with the ultimate objective of nonproliferation. It is in 1988, '89, leader and prime minister, Mr. Rajiv Gandhi, give his vision of the disarmament and disarmament of the nuclear weapons, in the special sessions of the United Nations for disarmament. And he agreed at that point of time, we did not have second explosions in 1998. We had two explosions, 1974 first; after a quarter of a century in 1998, the second one.

But in between, in 1989, Mr. Rajiv Gandhi, in his vision of nuclear disarmament, clearly pointed out that we can manufacture a weapon, but we have kept our options open. We did not use our options. We did not graduate ourselves from the threshold level, because we want that there should be universally verifiable, nondiscriminatory non-proliferation arrangement, all over the world, and every country, including the nuclear weapon states, should have equal rights, should have equal obligations, and there should be a total stoppage of both horizontal and vertical proliferation.

Unfortunately, and then repeating the word, unfortunately, international community did not listen to us. Therefore, because of our geopolitical situation, everyone is aware of it. I'm not going to repeat it. We had to go for the second nuclear explosions in 1998. But there, too, immediately after that, irrespective of sanctions or not, we voluntarily declared our nuclear

doctrine. And three essential ingredients of that are, A, there will be no first use. B ...

Charlie Rose: No -- no first use?

Pranab Mukherjee: No first use. B, it will not be used against non-nuclear -- non-nuclear weapon states. C, we declared ourselves voluntary moratorium on further test. D, we wanted to have minimum credible deterrent for self-defense, not for aggression.

Charlie Rose: What is the danger in the world that we live in now of proliferation?

Charlie Rose: What is the relationship -- what happens if the U.S. Congress doesn't pass it?

Pranab Mukherjee: Of course, it will not go through.

Charlie Rose: Of course not. But what does it mean -- what does it mean to India, what does it mean to the U.S.- Indian relations?

Pranab Mukherjee: No, I do not think so. I'm afraid that I do not pin hope only on the -- this particular arrangement, because this arrangement we started talking off from 1995, June, during the visit of prime minister, Dr Monmahan Singh.

But our relationship -- you talked of 60 years relationship. That means from the very beginning, we have good relationship with USA. Sometimes there have been -- in every relationship, there maybe things that maybe don't work, but nonetheless, we have good relations from the day one.

The United States of America is the single largest country to us, (inaudible) our export-import, and apart (ph) from the oil. The single largest industrial and technical collaboration we had with one country, that is the United States of America. Therefore, this is not the only matter on which our entire relationship depends. Of course, it is an important milestone, but I do not feel that if this will collapse, or if this will fails to (inaudible) our relationship, we'll go back to the negative situation. It's not like that.

Charlie Rose: Iran. Characterize your relationship with Iran.

Pranab Mukherjee: You know, in our foreign policy, not now but from day one, we believed that our foreign policy is best on certain principles. Therefore, our relationship with one country does not depend on our relationship with other countries. It is independent of that.

And the basic principle, 1949 when communist China came, India was one of first countries to reorganize it, only one China. And even when we had differences in the early 1960s with China, if somebody goes through the record of this, even (inaudible), even in the 1960s we are good. They're not Taiwan. But People's Republic of China is the real representative of China, and they should have a permanent seat in the Security Council, because it was a question of the principle.

Therefore, our relationship with Iran is best on several issues (ph). It's one of important suppliers of energy to us. About 4 million expatriates, Indians, are living around that region. Not Iran alone, around that region.

Charlie Rose: Is your relationship with Iran a problem for the United States?

Pranab Mukherjee: I do not consider so. Because we have made it quite clear both to Iran and the United States that our relationship does not depend on the relationship or closeness with USA, or it will be effected because of relationship with Iran. These are totally independent stands.

Charlie Rose: Do you believe Iran wants a nuclear weapon?

Pranab Mukherjee: I'm discussing this with them. Therefore, what we feel that even this morning I had a discussion with the Iranian foreign minister, and we do believe that as we have every right to pursue a civilian nuclear program for peaceful purposes, similarly, Iran has that right. At the same time, as a signatory to NPT, it has its obligations....

Charlie Rose: NPT, right.

Pranab Mukherjee: It has its obligations to the international community, because Iran signed NPT voluntarily. India did not sign. That's the difference.

Charlie Rose: I understand the difference. You did not sign the NPT, the Non-Proliferation Treaty, and then you did -- and Iran did.

Pranab Mukherjee: Therefore, I suggested that you should satisfy IAEA, and the queries which they are having.

Charlie Rose: And if they don't satisfy...

Pranab Mukherjee: You should respond to their questions, and it is in the interest of you, it is in the interest of all of us. We did not want another conflagration in our neighborhood. Therefore, it would be better to resolve

the problems through negotiations, however strenuous it may be. And I'm repeating, however strenuous it may be, we should pursue that.

Charlie Rose: The pipeline that was to go through South Asia and connect with Iranian fields, will it take place?

Pranab Mukherjee: Look, this we are discussing with them for quite some time.

Charlie Rose: With Iran.

Pranab Mukherjee: With Iran and Pakistan. And also, it's commercial (inaudible). We are interested in having gas, but gas must be at an affordable cost, an economic cost. Therefore, we are currently engaged about the transfer fee which Pakistan is demanding from us for the transfer of gas through the territory of Pakistan. And unless that issue is resolved, we cannot participate in the talks. Currently, we are engaged in bilateral negotiation with Pakistan to sort out this issue.

Charlie Rose: Do you worry about the stability of the Pakistan government?

Pranab Mukherjee: For the individuals concerned, I cannot give any guarantee that a certain individual A or B will continue. But what we want, what my desire, I can tell you, my desire with respect to Pakistan, is that there be stability and prosperity in Pakistan. It's helpful to me for my own stability, for my own development for my own prosperity.

And insofar as the current problems are concerned, I hope in the whole subcontinent which was part of larger India before 60 years, it has its own way of self-correcting the crisis that it is (ph) to face. And Pakistan is no exception.

Therefore, if Pakistan finds its own way of correcting the present problem, I will not be surprised. It may be possible, because at one point of time, it appeared that the judiciary is in total confrontation position with -- but it is not so. Therefore, in relationships between different organs (ph), between different countries, sometimes it may appear that it's going to be insurmountable, but in course of time, it gets it corrected.

Charlie Rose: Everybody I have ever talked to in India, everybody, from the prime minister, the national security adviser, to business people, to other members of the government, including the finance minister, say to me that they see the relationship with China for the near term growing,

comfortable and OK. Some of them worry about where it might be 25 years from now, 50 years from now. Do you?

Pranab Mukherjee: No, because I have seen -- excuse me, as a student of history, I have seen that no relation is permanent nor any relation is temporary. Every relation is partly temporary, partly permanent. Could anybody imagine in the 50's or even up to mid-60s that the close relationship between China or USA will develop as it developed in the mid'60s onwards?

Charlie Rose: Or even India and China when they had a border war.

Pranab Mukherjee: Exactly. Exactly. Therefore, what we're trying to do - - we had excellent discussions and relations between our leaderships and -- Indian leadership and Chinese leadership. In the recent years, we had two important visits, visit of the Chinese prime minister and Chinese president, and in the last week of this month, president and chairperson (inaudible) has been.

I'm also going to visit China for the trilateral foreign ministers consulting mechanism which we have -- India, China and Russia. We have another not trilateral, but quadrilateral -- India, China, Brazil, Russia.

Therefore, these groups have groups (ph) (inaudible) international relations are developing. So our relationship, and thereto I must give credit to the young prime minister, Mr. Rajiv Gandhi. You know, after 1962, there was a cold spell in our relationship between India and China. But in 1988, after his visit to China, that relationship was -- started improving substantially. And thereafter, in 1993, 1995, 1996, we made major changes in our relationships. And during the visit of the President Hu Jintao, we have agreed and both sides agreed and shared the same views, that there's enough space for both India and China to grow together, and it's not necessarily that one will grow at the expense of the other.

Charlie Rose: Do you believe that America's interest and its strategic relationship with India has something to do with containing China?

Pranab Mukherjee: I don't think that there is anything to containing China, because we do not believe in containing anybody. We believe that there is enough space to grow together, to accommodate each other's legitimate aspirations, but if the aspirations become illegitimate, I can't tell you.

Charlie Rose: Let me finally talk about Burma. You have had in the beginning a different relationship than you had now. Tell me how you see it today and the clash that is taking place there.

Pranab Mukherjee: In fact, I also had a discussion with my counterpart, foreign minister of Myanmar. And I expressed our concern. And I told him...

Charlie Rose: Myanmar. I should have said Myanmar right at the beginning.

Pranab Mukherjee: And I told him that, look, you yourself have showed the international community that the process of political reconciliation and national reconciliation and political process will (ph) start and it will take its logical conclusion involving the people. Now the time has come to demonstrate before the international community that you were serious. Therefore, this process must be expedited. It must be inclusive. And under no circumstances, nobody is going to accept the killing and violence. Therefore, it is necessary, even I have suggested, that to satisfy the international community, it would be desirable if you some sort of inquiry to find out why this actions has taken place, and of course it must be credible (ph).

Now, if you permit me, I would like to as we are having very frank discussion and I'm glad, somebody that (inaudible) that India being the largest functioning democracy, how it is that it can have its -- as its close neighbor a system which is totally different from democracy.

Charlie Rose: A dictatorship, a military dictatorship.

Pranab Mukherjee: But what can I do? Can I change my neighbor? What can I do? If in the subcontinent -- and incidentally at one point of time, not only Bangladesh, Pakistan, they were part of India before 1947. Even Myanmar, which was then known as Burma, and Sri Lanka, which was then known as Ceylon, they were administered by the Britishers from Delhi itself. Therefore, there is some sort of administrative affinity.

And when we became independent, almost at the same time, all of us accepted the parliamentary form of democracy. But in the Myanmar, it collapsed. In Pakistan, it collapsed after 11 years, 1958. Bangladesh, of course, was created in 1971 as a result of a bloody struggle that is part of the history. Sri Lanka (inaudible) presidential form of government, but a democracy.

Now, India a democracy, parliamentary democracy, flourished, despite poverty, despite backwardness, despite illiteracy, despite slow growth rate.

Therefore, what do we have to do? We have to live with our neighbors. We cannot change our neighbors. We have to live with them. It's better to live

in peace. I cannot alter the government in my neighborhoods. It is for the people of the countries concerned to decide what type of government they would like to have.

Charlie Rose: I'm not sure the people decided.

Pranab Mukherjee: No, as soon as they decide, it will be for them. I do believe no power can prevent the desire of the people. It may be delayed, but at some point of time, it will assert itself.

Charlie Rose: Finally, I know you have to go back to India tonight, clearly poverty is a big issue. In your country, the distance between the haves and have-nots -- true in China, true in a large part of the world. So because of your experience, will the economic growth enable you to have the political will to bridge that gap? And will it have the same effect in China? And will it enable the word to come to -- somehow come to do something to alleviate the fact that too many people are too poor, too malnourished and too absent the basic essentials of a good life?

Pranab Mukherjee: Exactly, exactly. This is precisely the point. And again, I am referring to the teaching of Mahatma Gandhi. Just now in the morning, we celebrated the International Nonviolence Day.

And one of the basic teachings of Mahatma Gandhi is that Mother Earth has enough resources to meet the need of every individual, but it is inadequate to meet the greed of even a few. Therefore, keeping that objective in view, we do not believe merely in growth in terms of statistics. We believe growth with equity, growth with social justice. And growth must be inclusive.

And here, what the point -- at some point of time, people started believing -- I have not mentioned the name of the countries -- that if there be a quick decision-making process, economic growth may be faster. Therefore, instead of democracy, there should be some other type of system of government.

Charlie Rose: Forty percent?

Pranab Mukherjee: Forty percent. Are undernourished. Therefore, these are the targets, and the entire process, with the growth, with the new economic policies, which have unleashed the latent force of growth. Our basic objective is to ensure empowerment and entitlement. This, just two years back, we passed a legislation of providing legal rights to unemployed

youths to have the guaranteed employment. Not full yet, but at least 100 days in a year.

A couple of days back, our prime minister has declared that this program will be extended to all 600 districts. That means the entire rural area will be covered. The major task during the current plan period which we are giving, all these are directed towards this underprivileged sections of the society, because for them, state policy and state intervention is needed. Merely giving it to the market forces is not possible. Yes, market forces will generate employment, market forces will generate wealth. But for the distribution of the wealth, what is required is some sort of guided state interventions, which we are bringing (ph). And it will take some time, but we are confident that through this process, it will be possible for us to achieve it. Because the disparities which you are talking of, this is a serious challenge, and collectively we shall have to meet this challenge. That's why we want more energy. That's why we want access to technology, and technology for the betterment of the people.

Charlie Rose: Thank you very much for joining us this evening.



050. Joint Press Briefing by Foreign Secretary Shivshankar Menon and Secretary (Environment & Forests) Smt. Meena Gupta on the Second Ministerial Meeting of the Asia-Pacific Partnership on Clean Development and Climate.

New Delhi, October 10, 2007.

Official Spokesperson (Shri Navtej Sarna): Good evening everybody and welcome to this joint briefing by the Foreign Secretary and Secretary (Environment) on the forthcoming Second Ministerial Meeting of the Asia-Pacific Partnership on Clean Development and Climate. May I request Foreign Secretary first to say a few words and then lead on the briefing.

Foreign Secretary: Thank you very much. Good to see all of you here. Secretary (Environment) and I are here just to tell you about the Second Ministerial Meeting of the Asia-Pacific Partnership on Clean Development and Climate, which will be held on the 15th in New Delhi. We thought it is a measure of our seriousness and our interest in the subject that Secretary

(Environment) has come herself. What I thought we will do is I will just introduce it briefly and hand you over to Secretary (Environment) and then we will be happy to take questions about the meeting and about the subject of the meeting, about climate change as well.

As you know, the Asia-Pacific Partnership for Clean Development and Climate is a voluntary association of six countries. It is a normal legally binding association. The countries in alphabetical order are: Australia, China, India, Japan, Korea and the US. Together, these six countries represent about half the world's economy, population and energy use.

The purpose of the partnership is to advance clean development and climate objectives through voluntary cooperation among ourselves for accelerated development and deployment of cleaner, more efficient and cost-effective technologies. The partnership has already identified eight focal areas and established taskforces to concentrate on these areas which have then developed projects. This meeting of the Ministers is supposed to look through those projects and to identify and approve flagship projects in these sectors.

In the various taskforces that exist, five are in energy-intensive sectors - aluminium, buildings and appliances, cement, coal mining, and steel - three are in energy-supply sectors - cleaner fossil energy, renewable energy and distributed generation - one is on power generation and transmission. India heads the Taskforce on Coal and Steel.

The idea is that at this meeting the Ministers will have a chance to look at the various projects - over a hundred projects have been developed - identify them as flagships ones and approve them. A measure of the appeal and the success of what this voluntary association has managed to achieve so far is that there is interest in other countries in joining it. Canada, for instance, is interested. That is one of the decisions that this meeting is likely to take - to expand the membership. Maybe, I will stop here and hand you over to Secretary (Environment) who knows much more about this than I do. After that, maybe we can answer any questions that you may have.

Secretary (Environment): I would just like to add that this is the second Ministerial meeting. The first one was held in Sydney in January, 2006. We will also have, on the 14th, the Policy Implementation Committee meeting which will decide the construction projects and other details. We are holding this press conference to tell you about the APP meeting on the 15th. We hope you will find it of interest.

We would also like to tell you that FICCI and CII together are organizing an

industry event in the evening, which is a panel discussion on Technology and Finance for Clean Development. We expect that that discussion will be very lively. Thank you. I would be happy to answer any of your questions.

Question: If I recall correctly, focus on the problem of climate change was first visible at 2005 Gleneagles Summit. I would like to know if anything concrete has happened in the past years, vis-à-vis India particularly. Why is there so much focus on India and China while the impression is that the developed world is not doing enough?

Secretary (Environment): The general feeling among developed countries and others is that the emissions from India and China are high and, therefore, they should take on commitments. But the fact remains that under both the UN Framework Convention on Climate Change and Kyoto Protocol, mitigation commitments are supposed to be taken only by developed countries. Therefore, we do not agree with the question of China and India taking on mitigation commitments beyond 2012, that is, beyond Kyoto.

Question: Can you give us the details of the flagship projects? What exactly are you going to do?

Secretary (Environment): I will just tell you very briefly because the flagship projects will really be finalized at the big meeting. Each taskforce has about two or three flagship projects. For instance, the Aluminium Taskforce has management of PFC emissions and management of bauxite residue, that is, red mud. Building and Appliances Taskforce has harmonization of test procedures for compact fluorescent lamps, high performance buildings and development and so on. These flagship projects will be finalized on the 14th. I think on the 15th when we have a press briefing, these details can be given.

Foreign Secretary: There are over a hundred projects which are listed on the website actually. If you are interested in the details, we will give you the name of the website. Out of these, they will select the flagship projects. We have proposals but they have to approve them at the meeting.

Question: Will you have cooperative programmes on ...(Inaudible)...

Foreign Secretary: It is a voluntary partnership. Those who are interested in particular projects, who feel they have something to gain or to give, will participate in each project.

Question: Can you give us an idea as to how much fund Government of

India has allocated for dealing with them?

Secretary (Environment): On adaptation, we spend about two per cent of our GDP. Our basic thrust is on adaptation. In the last year of the Tenth Plan it was about ten per cent of the Government expenditure. But I do not know if there is any overall figure other than that.

Question: What about our view on non-adherence to Kyoto Protocol by the US and what are you going to do in this particular Conference about that?

Foreign Secretary: This is a voluntary association, as I said, and this includes the US. What we are doing now in several fora - including Gleneagles forum which she mentioned, including the Conference of Major Economies which happened in Washington two weeks ago, and the UN Secretary-General's High-Level Forum - is we are trying to work out how we move to a situation after Kyoto, what kind of regime will be in place. Ultimately, the negotiating forum for all this is the UN Framework Convention on Climate Change. It is at the Conference of the Parties in Bali in December that we will start the formal process of negotiation. But obviously, since there are so many different views and so many different interests around the world, it helps to be able to talk about these issues among ourselves. That is what we are in the process of doing now. We would rather look ahead to see that we can evolve a framework which is fair, equitable, does not stand in the way of development and which does in real terms help to achieve the goal of not just mitigating but adapting to climate change.

Question: If I can get you back to the earlier question when the percentage of GDP was mentioned, India's GDP, as you know, has overshot one trillion dollar mark. Two per cent of our GDP would be quite a lot. Can you elaborate how much would it be and over what period is it going to be spent?

Foreign Secretary: I think what we will do is we will give you a little booklet right now which contains information not just on our stand on climate change but what India has done. You look at that. There are different ways of calculating what you are asking for. When we say ten per cent of Government expenditure what we mean is many of the things we do. For instance, we are spending money on setting up cyclone shelters. That is a way of adapting to the effects of climate. There are other expenditures that we undertake many of which one way or the other are related to our efforts to adapt to climate change or to mitigate the effects of climate change, on our population, on our society, on our economy. I think you should look at

that. Rather than our getting into trying to answer it in one sentence or two, look at the details and then maybe we will have a discussion on that.

Secretary (Environment): This is the booklet we have, which will give all the details that you are asking for.

Question: Are you likely to adapt any policy statement after the Conference, any Joint Declaration?

Secretary (Environment): As was mentioned earlier, it is a voluntary association for promoting cleaner and more efficient technologies. So, the work is primarily on the technology side between various sectors where the taskforces have been set up.

Question: Is there a separate taskforce on nuclear energy?

Foreign Secretary: Unless you treat it as renewable.

Question: Is there anything on Mr. Saran's visit to Nepal?

Foreign Secretary: Nothing yet. He has just gone there today morning.

Thank you.



**051. Address of Prime Minister Dr. Manmohan Singh at the
Hindustan Times Summit.**

New Delhi, October 12, 2007.

I am delighted to be back once again at this important gathering. As I have said before, these forums provide us opportunities to exchange views, to debate and shape the thinking of our people. Such public discourse is the life blood of a democracy. I compliment Shobhanaji for the interest she has taken to ensure that these summits are high quality events. You have, once again, an impressive gathering of speakers and participants.

I hope the views and ideas expressed here are carried across the length and breadth of our country. These proceedings should be translated into all Indian languages so that our people get to know the thinking of the eminent personalities gathered here. I dare say, though, that one finds that on many issues, the people of our country are often ahead of their political and intellectual leaders! The people of India have shown time and again a remarkable capacity to keep in step with change and often, be the agents of the change they want to see. It is we - politicians, policy makers and opinion makers - who some times find ourselves lagging behind public opinion.

This would be more so in a society of increasingly young people. India is going through a demographic revolution. We are a nation of young people, with a new generation entering the electorate at every election. Each generation has it's own dreams. Each generation "Imagines the India that can be". In a society of such rapid demographic and social change, new ideas and experiences capture the imagination of each passing generation. The India that we imagine that can be today, may well be obsolete by tomorrow.

It is, therefore, of utmost importance that we remain in touch with this changing reality and understand the India `that is', even as we seek to imagine the India that `can be'. For us, here in India, this is not just a reality check, but also a way of renewing the basis of our nationhood, and our Republic.

I say this because our Republic is itself the product of our collective imagination. It is often said that we are an ancient civilisation but a young nation. The "idea of India" draws inspiration both from our civilisational roots and from the social, political, intellectual and, above all, the emotional

basis of our national movement. These define our collective imagination. A nation based on such diverse sources of human imagination - rather than on mere ethnicity, religion or language - has limitless possibilities. No static ideology can freeze or strait-jacket the creativity, the enterprise and the imagination of our people.

That is why I am filled with optimism when I think of the future of India. This optimism is not based merely on hope. It is based on experience and past performance. Sixty years ago, when we won our independence, few imagined that in our lifetime, India would be where it is today. I spent the first ten years of my life in a village that had no drinking water supply, no proper sanitation, no electricity, no school, no hospital. I walked a great distance every day to school and had to do study at home under an oil lamp. We have come a long way from those modest beginnings. There is no doubt that there are still places like that village of mine. However, they have hope that they too will be transformed in the foreseeable future.

We are today at the threshold of a new era of social and economic development. The recent acceleration of economic growth, coupled with the advances in social and human development give us renewed hope of banishing poverty, ignorance and disease sooner than later. Over the last three years, we have brought back into sharper focus the issues of critical importance for the development of the vast majority of our people. We have moved public debate and discourse away from narrow, sectarian, divisive agendas to an agenda where policies and programmes that will usher in a new India are discussed, debated and given a final shape. When I read the media, it gives me a great sense of hope that our democracy has shown a remarkable ability to re-focus its energies on issues of vital import to our common people - be it rural development, be it education, be it health care, be it social security. It is this vibrancy that makes me believe that the India of tomorrow will be a great nation.

To move forward, however, in step with the expectations of our people, there is much more we have to do. There is a vast unfinished agenda of development and reform that awaits us. We cannot rest on our laurels or take our successes for granted. In the past five years, our economy has grown close to 9%. This is unprecedented. This can be sustained into the future. However, we cannot take this for granted.

We cannot assume that the country and the economy will move forward on their own, while we dissipate our energies in meaningless controversies. If all our time and energy is spent battling the ghosts of the past, how can we

hope to do the day's work efficiently? And I dare say, there is a lot of work to be done.

When the media thinks of reforms, their attention is often focused on the financial and industrial sectors. I do agree that in these sectors there is more we must do, though the fact is that a considerable distance has been covered in these areas. But there are other equally vital areas of our economy waiting to be reformed and taken forward. I draw your attention, in particular, to agriculture and rural development, infrastructure and power, education, health and public service delivery.

I am particularly concerned about rural development and education. These will remain our key focus areas for a long time. Our farming community, and all those who live in rural areas, must be equal partners and beneficiaries of the development process. We have to improve their standard of living, offer them social security and insurance against risk. We have to reduce the development gap between rural and urban areas, between the more and less developed regions of our country. These are going to be enduring goals.

Equally important is the empowerment of the Scheduled Castes, the Scheduled Tribes, Other Backward Classes, women and Minorities, through education. No modern country has less than 80% literacy. As I said in my Independence Day Address this year, India needs a new revolution in modern education. Every village must have a good school, a working hospital, drinking water supply, sanitation and electricity. Every child must have access to good and modern education and to health care. Every household must have the basic amenities of a modern society. Such are the imperatives of the India we all wish to imagine.

You will recall that at your Summit last year, where your theme was "India - The Next Superpower", I had cautioned you not to ignore the many hurdles we have yet to cross to become a developed economy. We are still a poor nation. To be a Great Nation, we need to improve the quality of life of our people, generate more employment, improve productivity, educate all our children and eradicate mass poverty.

Today, I wish to once again emphasise that point. It is easy to imagine a future of great potential for our country. We must, however, first build the foundations that can help us realize that potential. That does not require us to dream. It requires us to act. And to act now. We must continue to exert pressure on our system to make our industry more globally competitive.

We must improve the quality of our educational system. We must improve the public delivery system, especially in health care, sanitation, drinking water and public transport. India has a long road to travel to join the ranks of even the newly industrialized developing economies.

To realise the India of our dreams, we must show courage in taking actions that the people expect us to take in their long term and best interests. I am fully aware of the dictum that in politics, one must survive short term battles to attain long term objectives. However, we need to work with one eye on long term objectives while meeting day-to-day challenges.

I recall the kind of pressures we had to withstand in 1991 as we sought to reform and modernize our economy. India was in choppy waters with a serious economic crisis on hand. If we had dithered, if we had yielded to our critics, if we were not firm in our resolve, if we had been overwhelmed by self-doubt, we would have taken the country into a whirlpool of disaster. We were not afraid to think into the future and take actions that have served the country well. Many people worried that our policies would lead to the de-industrialisation of India. On the contrary, those reforms unveiled a new era of enterprise and creativity for India. Enveloped by crisis, besieged by political uncertainty, surrounded by anxiety, we imagined an India that can be!

Our dream has not yet been realized in full measure. But there is no doubt in my mind that we helped create an environment that has encouraged subsequent generations to dream more boldly, imagine more creatively, aspire more confidently. The India we imagined two decades ago, is now within our reach. The India we imagine today will also be in our grasp, if only we keep faith, dare to dream and stay the course.

We want India to regain its due place in the comity of nations, as an open economy and an open society. We want India to have normal relations with all countries, big and small. India will always seek good relations with all countries on terms of equality and mutual respect. We seek India's membership of all global councils where the voice of a billion people must and should be heard.

In the past three years, our bilateral relations have become more broad-based and wide-ranging with a large number of countries. As our share of global trade and capital rises, as our economy becomes more globally integrated, we will become even more engaged with the global economy. India's voice will be heard, India's views will be sought. We must prepare to

make use of the emerging opportunities and responsibilities.

Dealing with the world is a process of give and take. "The India that can be" will be one which has confidence in itself, confidence in its abilities, confidence in its capabilities, confidence in its possibilities. I have no doubt in my mind that the people of India have that confidence in themselves. A great nation, a proud people, an ancient civilization, a home of all the great religions of the world, cannot but be a self-confident nation. I have no doubt that the people of my country have this confidence to deal with the world as it exists. Sometimes, it is we, in positions of authority, who are the doubters.

In an age of competitive politics, politicians tend to become short-term maximisers. It is for this reason that democratic and plural societies need a social group capable of long-term thinking. Men and women of wisdom capable of strategic thinking, with the self-confidence to articulate them. People with a stake in the future, with no vested interest in the political battles of the day. People who don't think just for a section of society, for a region or a religion, for a vested interest or for short-term gains. We need people who can think for the nation. Think into the future. Think about the future and its various possibilities.

To nurture the roots of our democracy and constantly reinforce its foundations we must invest in our future. Thinking about the future is the first step towards investing in it. I hope your forum will continue to offer space and time to those who wish to think about India's future, with confidence, self-confidence!

Thank you.



052. Inaugural address by External Affairs Minister Pranab Mukherjee at the 2nd Ministerial Meeting of the Asia-Pacific Partnership for Clean Development and Climate.

New Delhi, October 15, 2007.

Shri Namoo Narain Meena, Minister of State for Environment & Forests,

Your Excellencies,

Distinguished Delegates,

It is with great pleasure that I welcome you to New Delhi for this 2nd Ministerial meeting of the Asia Pacific Partnership for Clean Development and Climate. Your presence demonstrates the importance of this Partnership in addressing the crucial issue of clean development and climate for all our countries.

I am also delighted to welcome Canada into our fold. Their request for membership underscores the credibility that this Partnership has attained.

Excellencies,

I am very happy to note that this Partnership has come a long way since the first meeting in Sydney in January 2006. The Partnership advances clean development and climate objectives, while recognizing the urgent and overriding priority of development. It seeks enhanced co-operation to meet both increased energy needs and associated challenges in accordance with national circumstances. Adaptation is the critical imperative for developing countries. For this we require technological and financial resources that can only come through accelerated economic and social development. Development is, in fact, the sine qua non for adaptation.

The world is seized today with the issue of Climate Change. There are many initiatives being taken to look at different and probably innovative ways to address this challenge. While all these efforts are laudable, there is near unanimity that the United Nations Framework Convention on Climate Change is the only framework for negotiations. This was also reaffirmed at the Major Economies Meeting called by President Bush in Washington recently. Our efforts here in this Partnership are consistent with the principles of the UNFCCC and complement the Kyoto Protocol.

Excellencies,

Improvement in human development requires increased energy consumption. To meet our national development goals, India needs to sustain an 8% to 10% economic growth rate for which we need to increase our per-capita energy consumption. Our per capita consumption of energy at present is only 530 kgoe of primary energy compared to a world average of 1770 kgoe and nearly half of our citizens do not have access to electricity. As we endeavor to increase our energy consumption to empower our people, we ensure, through our national policies that the means are sustainable and include use of market mechanisms and relevant technology along-with promotion of energy efficiency and conservation.

In 2001 we enacted the Energy Conservation Act and followed it up with the Electricity Act of 2003. This Act mandates the procurement of electricity from renewables by all distribution companies. This has provided a major fillip to the wind-energy sector in India. We now have about 7,000 MW of installed wind-power, the fourth-largest wind generating electricity capacity in the world.

We have also been making many other clean development efforts, including introduction of CNG for public and private transport in metropolitan areas, introduction of metro rail and introduction of a major bio-diesel program and blending of ethanol in petrol. We have managed the demand side through targeted interventions. As a result, we have raised energy efficiency in all the major energy intensive sectors - steel, aluminium, fertilizer, paper and cement. We propose to make available Compact Fluorescent Lamps at the price of normal incandescent bulbs. We have also just launched one of the world's largest afforestation efforts in recent times, called Green India, covering six million hectares of degraded forest land.

Excellencies,

Technology is recognized as a fundamental transformation agent in being able to ensure Clean Development and in tackling Climate Change. This is all the more so for developing countries, where there is a large reliance on fossil fuels. It is our hope that this Partnership will ensure that we collaborate to develop, deploy and disseminate appropriate and advanced clean technologies.

Here I would like to mention that we have observed that there is very little R&D effort on technologies that respond to the requirements and resource endowments of developing countries. This should be remedied. Our suggestion is for collaborative R&D between developing and developed country R&D institutions.

In this context, we also need to be mindful of creating a fairer balance between rewards for the innovators and the need to ensure the common good of humankind as far as the IPR regime is concerned. Standards and priorities should reflect the developmental context to which they apply.

Excellencies,

We, the six countries, now seven, in the Asia-Pacific Partnership have achieved a lot in a very short time and can be proud of our achievement. This has been the result of strong bilateral and partnership co-operation between member countries. A unique facet of the APP has been strong inter-Ministerial and inter-agency cooperation within and between Governments.

Our industries, including from the private sectors, and environment institutions, have also been most active in supporting the APP and have played a stellar role in fostering the Partnership. I am glad that the Federation of Indian Chambers of Commerce & Industry and the Confederation of Indian Industry are active in promoting the APP. They have come together to organize an industry event later today and I would like to thank them for the same.

I would also like to express specific appreciation for the eight Task Forces, especially the Chairs and the Co-Chairs, for their excellent and very comprehensive work. I am particularly happy that India was able to co-chair the Coal and Steel Task Forces. It is heartening to see that over 100 projects have been identified and that many of them are in the process of being implemented. Our meeting today would be endorsing the Flagship projects. These flagship projects would demonstrate the importance and magnitude of what we are trying to achieve and reflect the vision and objectives of the partnership.

And, before I end, I must express gratitude for the work of the Programme & Implementation Committee and the Administrative Support Group in guiding the APP and also for arranging today's meeting.

Excellencies,

Our ultimate aim is to ensure sustainable and clean development while

ensuring energy security and economic growth. I am sure that the APP will contribute to these goals which we all share.

Thank You.



053. Address of Defence Minister A. K. Antony at the Field Marshal K. M. Cariappa Memorial Lecture.

New Delhi, October 24, 2007.

I am extremely happy to be amidst you on the occasion of 12th Field Marshal K.M Cariappa Lecture. Such occasions provide an opportunity to focus attention on issues of crucial importance.

K.M. Cariappa was among the only two Indian military officers to hold the highest rank of Field Marshal. In a career spanning almost three decades, he held several high offices, displaying tremendous qualities of head and heart in marshalling the troops. Affectionately called "Chimma" and "Kipper", he was deeply attached to books, music and sports. A staunch nationalist, Cariappa was secular to the core. He once said, "I don't care a damn, if a man is Hindu, Muslim, Sikh, Parsi or Christian, as long as he plays the game to serve our country well. That is all that matters to me". Besides military matters, Field Marshal Cariappa also displayed a profound understanding and insight about the status of the nation.

He used to say, "In modern warfare, a large army is the first line of defence, the industry is the second".

Gen Rodrigues, has just now put across his views on "Resurgent India - the way ahead". In fact, all those present here today would agree that India has bright days ahead- in the not too distant future.

Indeed, our military might is also an important contribution to its rise as a regional and global power. India has one of the world's largest professional Armed Forces. Our Army is one of the finest fighting machines in the world and has proved to be effective in combating insurgency and low-key conflicts for over three decades. Our military training institutions like National Defence Academy and Indian Military Academy are among the best in the world. Indian Navy has the largest presence in Indian Ocean after the United States and fields an aircraft carrier, which allows it to extend its operations beyond its immediate areas of concern. Our Air Force has already

demonstrated that it can be counted among the world's best in a series of joint exercises.

We have thus, come a far way indeed, but a lot more still needs to be done. It must be our collective endeavour to ensure that our country firmly takes its place in the comity of nations.

India was once considered to be the repository of knowledge contained in Vedas and Upanishads. Nalanda was believed to be one of the best centres of learning. Nations that are knowledge societies will emerge as knowledge powers in the future. We must ensure that India remains in the forefront of knowledge revolution.

The international community is no doubt changing its perception of India. The name "India" is no longer associated merely with magic and snake charmers. India has taken rapid strides in the fields of economy and technology. We are committed to provide latest technology to our Armed Forces and to the extent possible - indigenously.

During the last few years, several global IT and science-based firms have located R&D labs in India. Their recruits are young graduates, straight out of Indian universities and elite technology institutes, or expats eager to come back, as they see India as the place to be in.

Our young population is technology-savvy, making our country one of the most important hi-tech hubs in the world. Bangalore is referred to as the world's second Silicon Valley. The same companies and their founders had played a major role in hi-tech and internet boom in United States in the 1990s.

On the economic front, conditions have never looked better before. In an interview to Future magazine, noted management guru, Peter Drucker had said, "India is becoming a powerhouse very fast. The medical school in New Delhi is now perhaps the best in the world. And the technical graduates of the Institute of Technology in Bangalore are as good as any in the world".

It has been a privilege to be with all of you and Gen S.F Rodrigues. I am sure such occasions definitely help our Armed Forces in taking stock of the situation and charting the future course of action.



054. Remarks of Prime Minister at the Fortune Global Forum.**New Delhi, October 29, 2007.**

I am delighted to be here in your midst today and in the presence of such an august gathering. You represent the best and brightest in global enterprise and creativity. I welcome you to our country, which has itself embarked on a journey of enterprise and creativity. I hope you not only enjoy your stay here but also get a feel for the momentous changes that are now taking place across the length and breadth of this vast nation. India is a nation on the move. The elephant, which has long been commented upon as being slow and sleepy, is not just wide-awake but moving forward rapidly. So rapidly that it has become imperative for the global community to notice and acknowledge its emergence on the global stage as an economy that counts.

You are all distinguished and experienced CEOs of important global companies. I am sure you have done your homework on the quantitative dimensions of India's resurgence. Your presence here in such numbers is an indication of the dynamism that exists in our country and that is widely noticed now all over the world.

I would not like to go through the numbers. They are well known to you. But, it is undeniable that India is now on a new growth trajectory. A trajectory where sustained economic growth of 9-10% per annum - growth rates which were considered impossible even five years ago - seems possible for many years to come. This acceleration of economic growth over the past two decades has been driven by rising investment and savings rates and by rising domestic consumption. I believe this can be sustained in the foreseeable future for two important reasons.

First, we have witnessed an unleashing of Indian enterprise in this past decade. Big corporates have gone global. Small and medium enterprises have become more competitive. A new generation of local enterprise has burst forth onto the business stage. These "children of reform", who have benefited from our ongoing liberalization and reform programme, are our vanguard to a new India - an India that is prosperous, an India that is equitable and an India that is a just society. At the same time, our growth process is based on a widening and deepening of our own domestic market. As the Indian market grows, it is creating new opportunities for businesses across the world.

Let me say without hesitation that we are committed to the successful functioning of a rule based multilateral trading system. India remains committed to the successful conclusion of the Doha Round of Trade Negotiations at an early date. We do hope that the round keeps in mind the promised development dimension and that it also will address the concerns of millions of our subsistence farmers. Trade liberalization, we recognize, has contributed immensely to our economic growth and to the growth of the world economy as a whole. Lowering trade barriers both at home and abroad has helped us. Our enterprises have become more globally competitive. We shall persist on that path.

More importantly, new business activities have grown in response to global opportunities. The successes of our Information Technology, automobile and pharmaceutical sectors is a living testimony to the benefits that liberalization and globalization have brought us. Sometimes, we do worry that at a time when we are becoming more open, protectionist voices are being heard in developed countries. The lesson we must all draw from the experience of the past century is that no country can reverse the dynamics of social, economic and technological change. Rather we must learn to cope and adapt with change.

This is precisely why India chose to join the World Trade Organization. India is a founder member of GATT. You will recognize the fact that we have adhered to all our Uruguay Round commitments. In fact, our firms have benefited from these commitments. While we remain committed to these obligations, we must also explore ways in which developing countries can catch up in the race to modernization.

We have affirmed our commitment to the protection of intellectual property rights. But, the global economy, the global community cannot afford the complete privatization of research, of knowledge generation, especially in fields like medicine. We need to evolve mechanisms that protect intellectual property and at the same time, address the needs of the poor. With the increasing privatization of Research & Development in science and technology, modern societies require new approaches to the sharing of knowledge where such knowledge is of benefit to all humankind.

What the world needs today is a new concord between private enterprise and public welfare. How do we maintain the required incentive mechanisms that encourage private initiative and enterprise, while at the same time ensure that public welfare is also enhanced? This dilemma poses itself most obviously in the field of health care. The policies we require to

incentivise new R&D must be balanced against the need to ensure availability of medicines at affordable prices to the world's people.

There are similar trade-offs we need to reflect on when we consider the problem of climate change, global warming, ecological degradation and environment policies. The developing world will continue to see per capita consumption of CO₂ emissions rising in the foreseeable future. This will exert pressure on global resources. How do we balance the aspirations of the world's poor against our shared concern about the sustainability of the growth process?

Let me assure you that we in India are deeply and sincerely committed to the protection of our environment because we all share a single global environment. The Indian approach to climate change and global warming derives from the ancient Hindu saying - *vasudhaiva kutumbakam* - "the whole universe is one family".

As I had said at the G8 Summit some months ago in Germany, India accepts its global responsibilities. We are willing to accept the obligation that our per capita emissions of CO₂ will never exceed the per capita emissions of developed countries. If developed countries succeed in reducing their per capita emissions, this would exert pressure and will be a source of incentive for all of us as well.

Whether it is on trade policy or on climate change, or indeed on any other international obligation, India has always worked with the global community. Moreover, India has never reneged on its international commitments. India has been a reliable partner, a responsible global citizen. India respects the rule of law in international relations. India is, therefore, a predictable partner. This is what makes India an attractive destination for investors like you.

I know very well that investment in the final analysis is an act of faith. It is shaped by perceptions, by expectations and by all the uncertainties of life. I invite you to have faith in our country. I assure you that your faith will not be misplaced.

I do sincerely believe that the success of the Indian experiment in development - the experiment of a developing economy seeking its salvation within the framework of an open society and an open economy, committed to the protection of fundamental human rights and the rule of law, as a plural, secular democracy - has a global significance. Our success has a global significance. India's success and the success of this experiment can alter the course of history in the 21st century.

The record of the 20th century has been a mixed one as far as democracy is concerned. While people across the world have rejected fascism, authoritarianism and totalitarianism, the record of democratic societies in pulling people out of poverty has not been as convincing as we would have liked it. Let us show that this is indeed possible.

All those who invest in India, who invest in its future, who invest in India's prosperity, who invest in the capabilities of the Indian people will be investing in the future of democracy.

The beauty of Indian democracy is its vitality; its ability to periodically rejuvenate itself; its ability to reform itself. We will continue to do so. Our systems may be slow, but they are steady. We will continue to reform our systems and our institutions, so that our economy becomes more efficient and our society more equitable.

I must draw your attention to the fact that the road to such reform over the past two decades has been a one-way street. Different political parties of different ideological hues have been in office over the past two decades. Yet, no policy reform has ever been reversed. The Indian economy, and its globalisation, has moved in only one direction - towards greater and greater freedom for individual creativity, initiative and enterprise and towards increased integration with the world economy. This is a path which has come to stay.

That is why the India Story looks so good. This was what we dreamt of in 1991. I doubt whether Fortune would have considered hosting such an event in India even a decade ago. The fact that you are all here today is proof of your faith in the abilities of Indian people. Be it Foreign Direct Investment flows, investments in our stock markets, investments in our knowledge economy, the signals are all positive. We will work to keep these positive. I hope you will remain engaged and committed to India. I wish you all well.



055. Interview of Prime Minister Dr. Manmohan Singh with the German Weekly *Der Spiegel* and reproduced by the New Delhi daily *Indian Express*.

New Delhi, October 30, 2007.

(Manmohan Singh talks to Der Spiegel's South Asia Bureau Chief Padma Rao Sundarji about German Chancellor Angela Merkel's visit to India, nuclear cooperation with the US and Indo-German academic exchange.)

SPIEGEL: Dr Singh, German Chancellor Angela Merkel is in New Delhi this week. Her entourage, which includes some of Germany's top executives, scientists and politicians, fills two Airbus planes. The scale of the visit is a bit surprising considering that Germany and India have no historical links. Why are the two countries suddenly so important for each other?

Singh: It is no secret that trade and investment have been growing rapidly. And then there has always been close scientific and technological cooperation between our two countries. Most importantly, however, Germany and India are both democracies and believe in human rights. This makes the relations far easier and smoother than with many other countries. We also cooperate with Germany on global issues through the European Union and the G-8 as well as other international forums. We have also, through the G-4 framework, presented our joint candidature for permanent membership in the UN Security Council. Seldom do two leading countries enjoy such a harmonious relationship.

SPIEGEL: Nevertheless, there is great disharmony within your own country over the planned nuclear deal with the United States, which will allow international monitoring of India's civil nuclear power stations in exchange for technological know-how. Your own coalition partners, the Left Front, vehemently oppose the Indian-US nuclear deal. Is it all but dead?

Singh: I take your point, but I am still of the opinion that we will reach a consensus soon. The Indian-US nuclear deal will considerably improve and consolidate India's energy supply. And what is good for India is good for the world.

SPIEGEL: Many countries would beg to differ. India, a nuclear power, has consistently refused to sign the Nuclear Non-Proliferation Treaty. In a phone call to US President George W. Bush last year, Chancellor Merkel herself criticised the Indian-US nuclear deal.

Singh: Chancellor Merkel, who has herself campaigned intensively for renewable energy since the last G-8 summit, has no reason to worry. Yes, we do have an ambitious domestic nuclear power programme and want to raise the proportion of nuclear power in the overall energy mix. But it is also well established that we want to look at all available fuel options and forms of sustainable and environment-friendly energy. International cooperation can play an important role in that endeavor. Take the German-Indian Energy Forum, for example. German companies are already supplying equipment for the Indian power sector, and we are already working together on energy efficiency, clean coal technology and renewables. For the business delegation accompanying the chancellor to India, the trip will not be in vain.

SPIEGEL: But will the failure of the Indian-US nuclear deal reduce India's chances of a seat on the United Nations Security Council?

Singh: Where do you see the connection?

SPIEGEL: The United States could vehemently oppose India's efforts.

Singh: One should look at the advantages of expanding the Security Council: Germany and India could both play a very constructive role. Reform of the Security Council, we believe, is essential for enhancing both the legitimacy and effectiveness of the UN. The UN must reflect the contemporary realities of the 21st century.

SPIEGEL: But then India would have to take a more decisive stance on sensitive issues like Burma. At the moment, one has the impression that India has been evading the question. Or has New Delhi been tolerating Burma's military junta only because Burma, as an oil and gas supplier, is crucial to India's growing energy needs?

Singh: Like Germany and the EU, India too wants peace and stability in South Asia and we are working together to bring that about. But please remember that the ability to keep a sense of proportion is often far more effective than shrill condemnation and sanctions.

SPIEGEL: For several years, German universities have been trying to woo Indian students. But Indians still seem to prefer countries like the United States and Canada. What are the Germans doing wrong?

Singh: Germany could consider providing incentives such as scholarships and employment opportunities, and, most importantly, put in place a visa regime which makes it easier to enter the country. Germany is a leader in

higher education, particularly in the area of technology. We would welcome more Indian students benefiting from Germany's strengths, but we would also like to see more German scholars and academics in India.



056. Inaugural Address of Prime Minister Dr. Manmohan Singh at the 4th International Conference on Federalism.

New Delhi, November 5, 2007.

It is indeed a matter of great honour and happiness for us that the 4th International Conference on Federalism is being held in our country. As one of the newer members of the Forum of Federations, we deem it a privilege to host this Conference. I extend a very warm welcome to the Excellencies, the Heads of States and Governments, and all other distinguished delegates to this global assemblage of the practitioners of federalism.

The theme of the Conference, "Unity in Diversity" is apt and in many ways, reflects the essence of the Indian approach to federalism. India embarked on its journey as an independent Republic based on the ideas of unity in diversity. As an ancient civilisation with a heritage spanning all the great religions of the world, spanning innumerable ethnicities, languages and cultures, India is a land of immense diversity. At the same time, India also had an underlying sense of unity. It may not have been political unity at all times nor was it based on linguistic or religious unity. This was a unity at a subliminal level, a unity based on shared values, on the co-existence of diversity and on respect for alternate thoughts and ideas. The challenge for a young nation was to build on this underlying sense of unity and to design an institutional structure which would manage the contradictions that would keep emerging from time to time. The unity, forged by our freedom movement for a common purpose, had to provide space for the inherent diversity of this vast ancient land of ours.

The Constitution we created sought to reinforce the unity and integrity of our Republic while providing the necessary space for all the extant diversities. It has tried to allow the diverse components of our federation retain their unique identity while merging them into a larger personality because of the benefits that arise from this. Maintaining a fine and healthy balance between the aspirations of individual federating units and the

obligations of the federation itself has been an essay in mutual comprehension. It has been an essay in persuasion and, above all, an essay in nation building.

The peace treaties of Westphalia are said to have established the modern concept of sovereign statehood. Since then, nations have evolved along multiple paths while developing their organisational structures and institutions. We have had nation-states that are based on single language, single ethnicity, single religious affiliation and single socio-cultural identities. There have been other states that have been more diverse in one or more - and sometimes, even all - of these dimensions. The challenge for many nation-states has been - and it is particularly true of the larger ones - is to manage the multiplicity of identities of individuals with the requirements of a unified nation. Managing this duality has been one of the drivers of political evolution in the last century.

Federalism has been a governance issue across nations of all types, particularly in the extent of the need to have governance as close to people as possible and to enforce accountability. But, it is in the plural group of nations, with their inherent diversity, that federalism as a concept has had to show ingenuity and innovation in managing contradictions. In fact, large plural democracies have been successful only by having federalism sculpted into their institutional architecture. Today, we see multiple models of federal architectures across the world, each trying in its own way, to allow for diversity to coexist in a larger unified framework; for individual sub-national identities to work in harmony with a larger national identity. In many ways, one can say that the concept of federation has enabled large nation-states to survive and flourish in today's world.

In the modern world, systems of governance acquire legitimacy and popular acceptance only because they fulfil the felt needs and aspirations of the people. Federalism too has come to stay because it serves a purpose. It has successfully mediated between the opposing pulls and pressures of individual identities and the needs of a larger national identity.

However, federalism as a concept cannot be static. The incredibly wide variations we see in the federal architectures across the world demonstrate that there is no unique solution to the problem of striking a balance between national and sub-national needs and aspirations. Further, the boundaries between different layers of identities will keep shifting owing to a wide variety of pulls and pressures and the challenges of social and economic change.

Economic development has been one of the biggest unifying drivers of the past few decades. The need for economies of scale and scope have necessitated the creation of large unified markets such as the European Union. The forces driving economic unification have driven unification on other planes as well. This is in some ways inevitable as unification of economic activity impinges on almost all other spheres of human activity and hence, the need for gradual harmonisation, if not unification. In fact, when I see the world getting increasingly globalised, I wonder whether the day is not far away when the concept of absolute sovereignty may itself come into question. As rule based international regimes permeate various forms of human endeavour, we may see states giving up sovereign rights for the larger benefit of humankind. This is in many ways, necessary when managing issues such as climate change.

On the other hand, the logic of political evolution and the quest for transparency and accountability have encouraged some nations to empower lower levels of government by adopting a federal look. We have seen cases where nation-states have been unsuccessful in managing the aspirations of sub-national aspirations with unhappy consequences for the nation as a whole.

Technological developments too have their bearing on the evolution of federalism. Recent developments in Information Technology have enabled even smaller communities to maintain their distinct identities and communicate with each other. They have enabled more vigorous participation in governance, bringing greater accountability to processes of governance. They have also enabled smaller governance structures to exist at reasonable costs.

The challenge of our founding fathers in India was to design a federal architecture which was flexible enough to manage contradictions, which could build on the common strengths and which would evolve with the new passage of time. We have a structure in which some issues are best dealt with at a larger "national" level and such issues become the responsibility of the Central or Federal Government. Defence, foreign policy and macro-economic management are clearly best dealt at the national level. Other policy issues like health care, education and law and order, are best dealt with at more decentralised levels of governance.

However, from time to time, questions do arise about the boundaries between national or sub-national levels and relative responsibilities of the two layers of Government. Dynamic polities must be prepared to constantly examine the status quo and adjust to evolving realities. India has been

able to do this through Constitutional amendments. The ease and flexibilities in our amendment process has enabled changes to be more easily accommodated. These changes reflect the evolution of our polity.

We have had to address the issue of fiscal federalism as well and our experience has been constructive. The responsibilities for public expenditure and their financing by taxation and other instruments are shared between the Centre and the States. These are built in devices by way of devolution of Central taxes and grants-in-aid in favour of States to bring about a measure of harmonization and equalization in patterns of spending in States. Finance Commissions, wisely envisaged in the Constitution and appointed every five years, have played a constructive role in harmonizing the revenue structures of the Centre and the States and in resolving disputes with respect to distribution of revenues between them. They have strengthened in the process, the foundations of fiscal federalism in our country.

We continue to have some difficulties in eliminating fiscal barriers to inter-State movement of goods and in the utilization of natural resources. These pose a major challenge for the management of our federal polity.

A major challenge for large federations is that of inter-regional disparities. Reducing such disparities is essential for the success of a federal structure. This has been an important challenge in India. Both the Planning Commission and the Finance Commission, through a system of transfer of resources from the Centre to the States, have played a constructive role in reducing inter-regional disparities and promoting balanced, social and economic development across the country. Even then, inter-regional disparities in the level of development do persist and constitute a major challenge for the management of our federal polity.

Large countries of continental dimensions must also have policies for an equitable and efficient management of natural resources. What would be a subject for international or bilateral negotiation, in the case of smaller nations, becomes an inter-State and a Centre-State issue in large federal systems. This is more so with respect to the management of natural resources like water, minerals and energy.

River water sharing has posed a challenge to the management of federalism. It is perhaps no exaggeration to say that we have found it easier to manage bilateral agreements with neighbours on river water sharing than settling domestic disputes between various States. Similar issues arise in the management of our mineral and hydrocarbon resources. Sustained economic

development increases the inter-dependence among the units of a federation. Balanced and equitable management of this growing inter-dependence is yet another major challenge facing federal polities in the modern world.

An extremely important function in a federation is the mediation of disputes between different levels and identities. In some cases, this becomes a case of using agreed principles for determining solutions. The judicial processes can be used for this purpose. In other cases, when there are no agreed principles, or when these are insufficient for the task at hand, we need other processes of dispute resolution. There may be questions of equity, there may be questions of efficiency and questions of identity that are involved and needs to be mediated upon. Finally, this may be a political process as the issue of identities is not just a matter of law. We need, therefore, at times, creative thinking and redesign of institutions to allow the federal concept to adjust to emerging and changing realities.

Before I conclude, I would like to turn to raise some questions for this conference to reflect on. In a modern state, does a single party state have any advantages in managing centre-state relations smoothly as opposed to a multi-party system? It is a question which I pose for your concern. Or is a multi-party model, with national parties dominating the political scene, superior where one can hope that all of these parties will take a national view on policy issues and help to reinforce the unity of the federation. In theory, management of Centre-States relations should be smooth in this sort of model. But, the Indian experience suggests that even in this sort of world the management of Centre-State relations can give rise to serious tensions.

Then there is the case of a multi-party model where political parties with varying national reach and many with a very limited sub-national reach, form a coalition at a national level. Is such a model capable of providing and reflecting the unity of purpose that nation-states have to often demonstrate? Or is it an essential outcome of federalism which successfully projects local aspirations at a national level? This political dimension of the Centre-State relations is yet another challenge facing a federal polities. Sometimes the resolution of problems acquires an excessively political hue, and narrow political considerations, based on regional or sectional loyalties and ideologies, can distort the national vision and sense of wider collective purposes. We may have a lot to learn from the experience of other countries in this regard.

I am sure that such issues are not unique to our country. In a world of multi-ethnic, multi-cultural plural societies, federal political systems face new

political challenges of all the times. Tensions between centralisation in certain spheres of governance and decentralisation in others is the essence of federalism. Managing this is the challenge of successful federalism.

I hope your Conference will deliberate on these important issues. We can learn a great deal from the experience of other countries as we seek to take our country forward. Thus great importance is attached to your deliberations and I conclude by wishing you success in your endeavours.



057. Keynote Address by External Affairs Minister Pranab Mukherjee during the 4th International Conference on Federalism.

New Delhi, November 5, 2007.

Shri Somnath Chatterjee, Hon'ble Speaker Lok Sabha, Hon'ble Home Minister, Excellencies, Distinguished Guests, Ladies & Gentlemen.

I am happy to address this august gathering on a topic that underlines the Indian polity and our governance structures. It is also heartening to note that this conference is the first such being held in Asia and hosted by India, one of the largest "Federating Union". We live in an age of unprecedented plenty, grave poverty, and dizzying technological progress. It is not surprising that the contemporary international community is confronted with complex challenges that require ingenious, innovative responses. Never before in history has the world witnessed such sharp divisions. Issues of identity, autonomy and equity impinge on all international interactions and the situation is fraught with grave hazards. Dangerous degradation of environment, human rights issues, rise of sectarianism and growing unrest among ethnic minorities all over the globe have thrown up unprecedented challenges to world polity. Proliferation of international terrorism is just one manifestation of the malady. Potentially destructive and violent strife is palpable just below the surface. In this context, it would be unwise to postpone considering urgent appropriate strategies to accommodate diverse, often conflicting interests- not only national but also religious, ethnic and cultural. This lends a new urgency to the concept and practice of federalism which has the inherent capacity to deal with diversity.

We in India can take justifiable pride that it was millennia before the

emergence of the nation-state system when the significance of federation was realized. Federal republics flourished on the north-western and eastern peripheries of the ancient Indian sub-continent. *Sangha* or federation in ancient India was synonymous with unity and strength. It would not be an exaggeration to state that in a society so remarkably plural, the federal imperative was obvious. Diversities and differences were not only tolerated but were joyously celebrated. All this is recollected here not to lay any special proprietary claims but only to indicate that India is a natural ally and a substantial constituency for federalism.

Historical factors have played an important role in the adoption of a federal Constitution with strong unitary features in India. The classical concept in federalism is that before a federation is formed, there are separate identifiable units. Once they joined the federation, they surrender some power, and gain some. Indian federation grew from its ancient past where centralized monarchical and dynastic ruler ship was the adopted statecraft from Chandragupta to Asoka, or the Mughals, who had unitary administration over vast parts of India. For the sake of administrative convenience, they divided certain parts into administrative units. Akbar's empire stretched from Kashmir to Pragjyotishpur in Assam, and from Kabul to the Deccan in the south divided into 16 "subas". When local chieftains raised their heads, they were delegated some local powers in keeping with the politico-administrative expediencies.

A new political paradigm was laid with the advent of British who, captured power through the East India Company acting on the certificate of "Dewani" obtained from the Mughal Emperor. Later, Lord Wellesley used the policy of annexing Princely states followed by the theory of "Doctrine of Lapse" by Lord Dalhousie, whereby a princely state, in absence of a direct heir to the ruler, got annexed and merged to the British territory under the Crown. There was some territorial contiguity and stability in the ninety years that followed 1857 and up to the Independence from the British rule in 1947. The administration was governed by the British Governor General through provincial Governors. These provinces had no uniformity and neither were they carved out of any coherent or logical policy dictates. Bengal, Bihar, and Orissa were one administrative unit for some time; Oudh used to be the larger united provinces, while a large number of territories were captured from rulers in different parts of the country and merged with the British territory.

Some major changes in the governance structure of the country took place after the revolt of 1857. Almost 60% of British India territory was directly

administered by the British Governor General, Governors of provinces or in some cases Chief Commissioners. The hereditary princely rulers numbering more than 700 ruled the other 40 percent of this territory.

Excellencies, Distinguished Guests,

In India, the traditional concept of federalism did not take roots as successive governments starting from the Mughal Emperors to the East India Company ruled in the unitary format. The Montague-Chelmsford reforms of 1918 envisaged a federal solution to the problem of political freedom for British India, as a distant prospect, observing that the conditions for a federation, did not then exist, because the provinces in India were not self-governing States which could surrender certain powers to the federal government. This remained equally true in 1929 when the Simon Commission did not recommend a federal solution, though was envisaged as a distant goal. However, in keeping with the exigencies and imperatives, the governance was carried out under the Government of India Act, 1919. Definite concept for federal structure was laid only with passing of the Government of India Act, 1935.

What then made the British Parliament in 1935 to provide a federal Constitution for India, disregarding the views expressed in two reports? To my mind, the British tried to look for pragmatic adjustments by establishing political institutions which would work, as the demand for self rule and freedom struggle had become almost irresistible, and each political advance brought the full transfer of power nearer to the Indians. The political struggle produced a sense of national cohesion and, for the leaders of freedom struggle, federal solution offered the best chance of an early realization of their goal.

The "**Objectives Resolution**" which was moved in the Constituent Assembly on 13th December, 1946 by Jawaharlal Nehru favored loose federation with the residuary powers of legislation given to the Provinces. This possibility faded with the partition of British India into India & Pakistan, and it was seen as no longer necessary to provide a loose federal Constitution. The India Independence Act, 1947 abrogated all treaties between the Crown and the Indian Rulers making them fend for themselves. With the liquidation and merger of Princely States in the provinces, federal solution emerged as the natural choice.

The outcome of the Constituent Assembly deliberations brought out the underlying philosophy of federalism in the Indian Constitution while adopting a Parliamentary system of federal government and enunciating its basic

features. **The Indian polity was to be federal in structure, unitary in bias.** India would be a Union of States. This would not be the classical federation like that of the United States Constitution which says "association of States" and many other countries that adopted a federal system of governance. The Indian Constitution makers chose to use the word "**Union**" instead of federation. It may be mentioned that, in order to be called "federal", not using the word itself does not mean that the principles are foregone. In fact, we have gone even beyond by delegating powers to the units of local self governments that were not strictly laid down under the Constitution. The actual structure laid down for two-tier system of government with the Union and the States, and it was left to the States to legislate on the local self government structures.

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The test for federalism laid down by experts such as Prof. Wheare in his work "Federal Government" has been generally applied to our Constitution. Another eminent exponent of the subject Prof. Sawyer, who propounded that it is necessary to inquire whether a federal situation existed in a country before it adopted a federal constitution, said, the sub-continent of India is an area which by reason of size, population, regional (including linguistic) differences and communication problems presented an obvious federal situation.

Among the basic features laid down for Indian federalism, is the mechanism through which the independent judiciary will arbitrate on the matters between the Union and the States and that is how the Original jurisdiction was bestowed on the Supreme Court. On the Legislative side, in the classical federal mechanism, it is the Second Chamber of Federal Parliament which is to represent the States. That is how in the case of United States, two representatives are fixed for each State in the Senate. India also opted for a Bi-cameral Legislature. The allocation of seats in the Upper Legislative House is filled by representatives of States and the Union Territories elected by the elected members of the Assemblies of the respective States in accordance with the system of proportional representation of population. The present number of seats was fixed in 1956 on the basis of the recommendations made by the States' Reorganization Commission.

The responsibility of governance between the Federal Government and its constituent units, the States, is enshrined in the Constitution by dividing the subjects into three Lists. **The Union** List gives exclusive right to the national Parliament to legislate on 97 subjects; the **State List** gives right to

State Legislatures to legislate on 66 subjects and the **Concurrent List** gives rights to both the Union and State Legislatures to make laws on 47 subjects. The district and local bodies do not make laws; they make policies and take executive decisions and act. Some States, due to their peculiar situation, have been given wider and additional powers for legislation. Executive powers are distributed between the Union and the States, including the power to levy duties, raise revenues by taxes operating on mutually exclusive spheres, adhering to the principle of federalism.

The unique unitary features of the Indian Constitution entrusts the Union Government with institutions such as the Election Commission, the Union Public Services Commission, the Comptroller and Auditor General of India.

Every five years, a Finance Commission is appointed to make recommendations on the sharing of taxes that are levied by the Union government, including Grants-in-aid under the Constitutional provisions. This is in addition to the debt relief and calamity relief given to the States in times of need by the Union. First such Finance Commission was constituted in 1951, currently the 12th Commission's recommendations are being acted upon and the 13th will shortly be constituted.

It is this basic characteristic of the Union of India, which has enabled peaceful structural changes and reshaping of the states many a time. The core value of the unity and integrity of the nation in the constitutional scheme has facilitated this exercise. However, in the last sixty years, there were some challenges thrown as to what constitutes the basic features of our federalism. By the 42nd amendment to the Indian Constitution, the Union acquired certain State powers such as the deployment of Central para-military forces. The State subjects like Forests & Education that hitherto were in the State List, were placed in the Concurrent List. Use of certain provisions with respect to the dissolution of State Governments and Centre-State relations assumed importance. It was realized over a period of time that this power in the union is meant to be exercised sparingly, and were substantially addressed by the 44th amendment to the Constitution.

The Government has also set up several independent mechanisms to review the working of the arrangements between the Union and States and to make recommendations for ensuring good governance and the welfare of the people while strengthening the unity and integrity of the country. Among these are the **Planning Commission**, the **National Development Council**, the **National Integration Council**, the **Inter-State Council** and others. The Planning Commission allocates financial resources to the States for

their plans of development. The government constituted a Commission under a retired Chief Justice in early 1980's to take a comprehensive review of Centre-State relations. Many of its recommendations were accepted and acted upon. The Government has now set up another Commission on Centre-State Relations to take a fresh look at the rights and responsibilities of the Union and State Governments and make recommendations for addressing new challenges that have emerged in our polity and economy in the last two decades.

We have made substantial progress in the direction of empowering the people through local self-governance, commonly called Panchayats in the rural areas, and municipal bodies in urban areas. These are periodically elected bodies that are nearest to the people and form the grassroots level governance. In the structure of multi-party political system, when no single political party can claim dominance and when the central and provincial governments represent rival coalitions, the daily pulls and pressures can only be managed by genuinely federal institutions.

Excellencies, Distinguished Guests,

The structure of the world had begun to alter dramatically by the 19th century. Empires had given way to new, independent nation States' and the artificial order imposed by colonial powers was dismantled by the rising tide of assertive nationalism. Ironically, the unity forged during the anti imperial freedom struggle was in most cases lost as soon as independence was attained and the new born nation-states found themselves struggling to preserve their integrity and autonomy. The colonial masters had redrawn political maps and diplomatic adjustments among imperial rivals that arbitrarily violated the pre-existing organic relationships among the people of Asia and Africa. The Indian case is illustrative of this. Communities that had harmoniously coexisted for generations suddenly found themselves confronted by divisive forces. Demands of the people from its own government increased with growing political consciousness and awareness. Diversity, at times, tended to become divisive and discordant. Contending claims to scarce resources aggravated political conflicts and began to put strain on political institutions. However, these could be adequately addressed through the institutions of the federal government.

At the global level, geopolitics dominated thinking during this phase, and the democratic essence was dispensed with leading to the start of the Cold War which distorted the natural evolution of the federal idea. Strategic considerations of containing the adversary, an ideological rival, fuelled the formation of military alliances.

We need to refer to another significant development during the last quarter of the twentieth century and that is the strong imperative for regional integration. The emergence of the European Union as a supra-national political association- a unique federal institution- provided a powerful impetus to similar aspirations elsewhere. Bodies like ASEAN and SAARC have demonstrated that an innovative social contract, essentially federal in character, can be extremely useful in managing diversities.

What is clear as we enter the new millennium is that there can be no genuine democracy without adequate space for diverse minorities. They have to be assured unequivocally that their identities are not imperiled. Regions that have borne the brunt of imbalanced economic development too must begin to perceive themselves as stakeholders. Devolution of power to the grassroots has to be hastened. Without this sense of participation in governance there can be no credible empowerment. Only when people hitherto marginalized identify themselves as agents of change can their grievances become less volatile. The people of India can take just pride in electing the largest number of representatives, 2.5 million persons, at different federating structures, right from the central level down to the grassroots.

Excellencies, Distinguished Guests,

In recent years, there has been much talk of a clash of civilizations, cultural fault-lines and multiple identities. It is not possible to reflect on these topics in detail here but it is necessary to recognize them since it is federal institutions, structures and processes that hold the most promise in helping us to learn to live with multiple identities, negotiating invisible fault-lines and coping with differences constructively.

It is not only in the comparatively younger nations that the significance of federalism is being realized, many developed countries too have learnt valuable political lessons from their own or others' experiences.

Excellencies, Distinguished Guests,

It is a privilege for India to host the 4th International Conference on Federalism in the 60th year of our Independence. I understand that about one thousand practitioners of federalism from more than 50 countries, including a large number from developing countries, are participating in this Conference. India is deeply committed to realizing the federal ideal and is extremely happy to join hands with the Forum of Federations in sharing experiences and promoting learning. Indeed it is for this reason that we partnered with Forum of Federations, a partnership which we expect to deepen in the years ahead.

In India, our own commitment to federalism is for the long term as we are convinced that it provides the best hope for robust expression of divergent viewpoints and finding peaceful and enduring solutions to our problems. We have absolutely no doubt that federalism holds the key to a better future. Federalism at home and in the international system alone will allow us to blend interdependence with autonomy, preserve our distinct cultural identities and help us fight emerging challenges. I have great expectations from this conference and look forward keenly to its recommendations.

Thank You.



**058. Address of Prime Minister Dr. Manmohan Singh at the
2nd Asian Ministerial Conference on Disaster Risk
Reduction.**

New Delhi, November 7, 2007.

I am delighted to have this opportunity to be here at this very important conference, which is deliberating on a subject of immense relevance to the entire Asian region. I also hope that this conference will be yet another milestone in strengthening collaborative, cooperative relations among the nations of Asia.

Disasters know no political boundaries and we are all equally vulnerable to them. I firmly believe that this is one area where nations can - and indeed must - cooperate to find collective, cooperative solutions to the challenges that face them. After all, it is in difficult times that we need the best of relations. As a wise old saying goes - a friend in need, is a friend indeed.

It is, therefore, heartening to note that in recent years, countries of Asia have come together to help one another during times of natural disasters. We have had joint efforts to provide rescue and relief to those in distress - in the aftermath of the tsunami of 2004, after the recent earthquakes in our regions, including in Jammu & Kashmir. This conference is taking place at a time when we can all feel hopeful that we have the sagacity to cooperate during times of natural disasters.

The Asian Ministerial Conference is a natural platform to discuss disaster risk reduction. What is done - or not done - in one country, can have repercussions in another. This conference, therefore, can be a common

platform for us to learn to work together in the best interests of all our peoples.

Earthquakes, cyclones, floods and tsunami have contributed to disasters across Asia in the recent past. In handling all these disasters, what is important is to have coherent national strategies and national capabilities to handle these disasters. This would be in the realm of both disaster prevention and disaster management. I believe that it is incumbent on each one of us to develop the necessary national capabilities. There can be no substitute for effective national efforts.

At the same time, each of the past episodes has shown us that a national response alone is not adequate. While we have the necessary wherewithal in Asia to respond to disasters, we need more bilateral and regional cooperation to make effective use of our capabilities.

Greater cooperation in relief and rehabilitation, cooperation in disaster preparedness and in setting up and maintaining early warning systems is a useful and a very good way of demonstrating good neighbourliness. The regional effort in creating a Tsunami Early Warning System is a good example of regional cooperation. I hope we The focus of this conference need not be limited to natural disasters alone. Modern societies must also prepare to come together to deal with manmade disasters - be they industrial disasters or disasters caused by terrorists' attacks. The threat of terrorism looms large in many parts of our region and could trigger disasters across borders. We must also learn to deal with new kinds of health disasters such as HIV, Avian Flu which have emerged as new challenges all over the world. They have enormous social and economic consequences. Here again, we need improved methodologies for risk reduction, insurance as well as for mitigation.

And of course, the biggest disaster that we may yet prevent from happening is the catastrophic effect of global warming and climate change. Whereas we have only nature to blame for natural disasters, we cannot say the same for manmade disasters. Actions of one nation can affect many other nations. I hope our region shows the same wisdom and cooperative spirit in dealing with manmade disasters as it has shown in dealing with natural disasters.

Our country has adThere is yet another popular saying that has relevance to risk reduction, namely - a stitch in time, saves nine! Disaster risk reduction, in particular, should be based on pro-active pre-emptive action. Typically, small investments in improving the safety of houses can go a long way in

reducing the risk of damage to life and property arising from earthquakes. Studies carried out by our engineers show that we could have saved valuable lives and property if we had appropriate housing technologies in earthquake-prone areas. We are developing such technologies that are affordable and also are appropriate to the situation we face on the ground. Information sharing in such technologies will be a useful way of addressing the challenge of risk reduction and promote regional cooperation in this important area.

A second type of intervention relates to insurance against risk. The penetration of insurance in many of the countries of Asia is still very limited. I, therefore, urge all those who manage our financial systems to be even more pro-active in insuring the risk-prone regions. Insurance against natural disasters is still very limited. Here again, we need an approach that can spread the costs and ensure the financial sustainability of risk insurance mechanism.

Countries of our region should learn to work together on a wide variety of fronts. The people of Asia have interacted with each other for centuries and they must do so on this vital subject. I hope opportunities provided by this Conference will help forge a new unity among the peoples of Asia. I wish your conference all success in addressing the challenges that we face. I hope you will come forward with new approaches, enlightened approaches for addressing the enduring problems of our people with regard to the management of disasters, their prevention and their management if they are unavoidable. With these words, I have great pleasure in inaugurating this Conference with a forward-looking approach to disaster management and mitigation. We have constituted a National Disaster Management Authority and State Level Disaster Management Authorities. The National Authority has come forward with a new approach to disaster management. The paradigm shift that they have advocated is based on moving away from a relief-centric, post event approach to a holistic, integrated and preventive approach. The focus will be on disaster prevention, preparedness and mitigation.

Improved coordination between various agencies of the Government is a first step in the new approach. Greater awareness among civil society with regard to prevention, mitigation and preparedness, is the next important step. Lack of information, panic and uncoordinated responses can have a negative impact. Community-based approaches can, therefore, help deal with panic, rumour-mongering and provide immediate relief. In risk reduction, such an approach can have positive externalities.



059. Address by Vice President M. Hamid Ansari at the Foundation Day of the Institute for Defence Studies and Analyses.

New Delhi, November 10, 2007.

Hon'ble Shri Pranab Mukherjee

Hon'ble Shri A.K. Antony

Shri K. Subrahmanyam

Chiefs of Staff

Members of the Executive Council of the IDSA

Dr. N. Sisodia

Distinguished guests

Many friends in the audience

Ladies and Gentlemen

I feel privileged to be here with you today to celebrate the Foundation Day of the Institute for Defence Studies and Analyses. I also celebrate as an insider. Over the years the IDSA has carved out for itself a place in the fraternity of the regional and international community dedicating itself to matters strategic. These engagements have in some measure helped shape perceptions, and add a much needed Indian dimension to them.

'I think, therefore I am', said the philosopher Rene Descartes. By this logic, thinking should be a normal and universal human trait. Experience however reveals a propensity to avoid structured thinking and leave it either to superiors in the social or organizational hierarchy or to a small group charged to do so. Both amount to an abdication of civic responsibility since, as Pericles said a long time back, ordinary citizens are fair judges of public matters and discussion therefore is not a stumbling block but 'an indispensable preliminary to any wise action'.

At the other end of the spectrum governments, busy with the concerns of the moment, sometimes do not have the time and the energy to devote themselves in sufficient measure to matters in the domain of the possible, the probable and even the improbable. It is here that speculative but

structured thinking demonstrates its relevance and helps bridge the gap between the worlds of ideas and action.

The sociologist Anthony Giddens, who was in New Delhi recently, described the present day world as “puzzling, strange, elliptical” in which ‘we are far from being fully in control of the forces we have unleashed’. This is further complicated, as Philip Bobbit put it in a seminal work published a few years back, by ‘the shift in the basis of legitimacy from that of the nation-state to that of the market-state’ which questions much of what went with the doctrine of sovereignty. To think about the world of today in terms of security and foreign policy, therefore, requires cognition of what is decidedly new. Some of these are evident and can be mentioned:

- Revolution in Information Technology and the emergence of user-friendly technologies at the retail level leading to immense empowerment at the individual level.
- Globalisation, with its market integration and instantaneous media of communication, has created extensive interdependencies down to the village level.
- The end of the Cold War and the emergence of a more complex international order that lends itself much less to prototyping. Affiliations, alliances and identities are no longer exclusive - overlapping multiplicity is no longer merely an option, it has become a necessity
- The concept of ‘power’ and ‘influence’ has undergone tremendous changes. Today, strong nation-states are much less feared than weaker ones. Non-state actors have been technologically empowered to unleash enormous destruction among states and societies. Soft power projections are as important as hard power instrumentalities.
- The political, economic and cultural DNA of nations acts as the limit of the potential that exists for development and flowering of peoples. The actualisation of this potential depends as always on the political and social environment of the day and the leadership available to harness the energies of the people.
- Fundamental human rights have obtained the widest observance and recognition in human history. They impose implicit and explicit codes of behaviour for nation states irrespective of national constitutions and domestic legislation.

- With the predominantly young profile of our population - over 550 million Indians are below the age of 25 years - patience with state interventions and facilitation for socio-economic development is wearing thin. People want income growth, enhanced standards of life and actualisation of their potential at the earliest. The margin for delay and non-performance in this area is minimal. This is the *leitmotif* of this generation.

This then is one set of factors that impact on the security and foreign policies of countries, including our own. Needless to say, the traditional imperatives also remain in place. How then do we harmonise the two, respond to security imperatives and energise the policy impulse? This, to my mind, is the challenge of the day that requires to be addressed by the strategic community.

Ladies and gentlemen

Any exercise in structured thinking is premised on conceptual clarity. Our terms of reference today pertain both to security policy and to foreign policy. In the first place, the two are not synonymous since national security has domestic dimensions as relevant as external ones. The concept of security itself has acquired depth and a new meaning; it now encapsulates non-traditional security and is focused on comprehensive human security.

Foreign policy, on its part, is not conducted in a vacuum on the basis of a wish list; it must perforce result from the manner in which a country persuades the external world to respond to its national vision (inclusive of its security requirements) and the supportive structure it brings to bear in terms of national capabilities.

I venture to suggest that India of tomorrow would attempt to locate itself in terms of such a basket of imperatives and perspectives. In doing so, it would still go back to the basic objectives enunciated by Jawaharlal Nehru in his Address on 7th September 1946, six days after the Interim National Government was formed. Its essence bears reiteration:

- 'We propose, as far as possible, to keep away from the power politics of groups';
- 'We believe that peace and freedom are indivisible and the denial of freedom anywhere must endanger freedom elsewhere and lead to conflict and war';
- 'We are particularly interested in the emancipation of colonial and

dependent countries and peoples, and in the recognition in theory and practice of equal opportunities for all races’;

- ‘We seek no dominion over others and we claim no privileged position over other peoples. But we do claim equal and honourable treatment for our people wherever they may go, and we cannot accept any discrimination against them’;
- ‘India is on the move and the old order passes. We go forward to success and to freedom and well-being of the hundreds of millions of Indians.’

An observer of the Indian scene may well ask the question: do these considerations remain operative? The answer would be in the affirmative, as is evident from authoritative pronouncements made from time to time by public personalities and government leaders and most recently in the conclave organised by the *Hindustan Times*.

The focus thus remains on success, on freedom and on the well-being of our people and on a cooperative, non-hegemonic, world order. By implication, challenges to these in a changing situation become challenges to our security.

If there is one challenge that I wish to highlight today as being of critical importance and yet under-appreciated for its likely impact, it is the predominantly state-centric discourse of our national security policies. The protection of a state from external aggression and internal threats is increasingly seen as one component of a more comprehensive approach to security – that of human security. There is a need to look at security of individuals and peoples in this more holistic sense – where protection of individuals from all forms of violence, from hunger and disease, from natural and man-made disasters, from socio-economic and political inequity is the goal.

Undertaking this quantum definitional leap is critical if the discourse on national security and on foreign policy challenges is to evolve and progress. We also need to remind ourselves constantly that the primary purpose of conducting foreign policy, and of the effort to ‘promote international peace and security’ and ‘maintain just and honourable relations between nations’, is to do so in the interest of the People of India.

The complexity of the Indian reality, particularly in its economic, sociological and human dimensions, is the umbilical cord linking domestic and foreign

policy; it conditions all aspects of the security perspective. The sources of strength, and weaknesses, of this reality need to be borne in mind by scholars devoting themselves to national security studies.

Ladies and Gentlemen

We live in an era where the only certainty is uncertainty. How do we convey our vision of our security and foreign policy to the world and our people? How do we synthesize the ambiguities and uncertainties into coherent policies and build support in our diverse polity and society? The only answer would be to place individuals and peoples at the centre of the discourse and debate. All around us are societies where the priorities were reversed, with dire consequences.

A word of caution may not be out of place. It is a folly to view the world in terms of black and white. The future of world peace and of the international community remains in balance because ambitions of control continue to surface to achieve, in Headley Bull's terms, dominance, hegemony or primacy. An alternative model, based on common ideals and common values, is yet to emerge. There is, however, hope that eventually sanity will prevail. Almost two decades after India proposed it in 1988, there is now talk in the United States itself of a phased reduction and elimination of nuclear weapons. Would some researcher in IDSA be tempted to explore the options from an Indian perspective?

Ladies and Gentlemen

The only approach to our security and foreign policy challenges is one of incremental success. This is a painstaking task that requires patience and clarity of purpose. I have no doubt that IDSA would continue to play an important role in this task by generating new knowledge and ideas, by paying greater attention to societal impulses, and by shaping Indian responses to challenges that may confront us in the years to come.

I wish the Institute all success in its work.

Thank you.



060. Speech of External Affairs Minister Pranab Mukherjee on the Foundation Day Celebrations of the Institute of Defence Studies and Analysis.

New Delhi, November 10, 2007.

Hon'ble Vice President Shri Hamid Ansari, my esteemed colleague and Defence Minister Shri A.K. Antony, Chiefs of Staff, Senior officers from the Armed Forces and officials of the Government, Excellencies, members of the media, Shri K. Subrahmanyam, Director IDSA and Members of the extended IDSA family,

I am glad to be with you to celebrate this 42nd Foundation Day of IDSA. This Institute was set up at a difficult time in India's history. Despite the peaceful and non-violent orientation of our foreign policy, we found ourselves in wars against our neighbours. We realised then that the country's defence could not be neglected and to protect effectively our hard won freedom, we had to have a strong defence. We also realised that for a strong defence we needed strategic planning, sound analysis and intellectual inputs to develop appropriate policies. IDSA was founded as a part of the effort to generate such intellectual inputs.

Over the past four decades and more, IDSA has contributed to the cause of national security in diverse ways. It created public awareness on critical issues concerning security. Its alumni are now a part of universities, media, international organisations, government and other think tanks both in India and abroad and are making significant contributions to the discourse of national and international security. On many occasions in the past, IDSA has set the agenda for debates on important security and foreign policy issues. It is fair to say that IDSA laid the foundation of strategic thinking in this country and in terms of the range and depth of its academic resources, it continues to be the nation's premier think tank on strategic issues.

I recall that on its 40th Anniversary, the Prime Minister had urged that IDSA should strive to become a centre of excellence. It is heartening to note that the Institute's scholars and staff have adopted a vision to develop IDSA, over the next few years, into a world-class think tank. To accommodate its increased research output, its flagship journal Strategic Analysis has been transformed from a Quarterly to a Bi-monthly and the journal is now published by a renowned international publisher with a global reach. To further focus specifically on core issues of defence, a new journal called "The Journal of Defence Studies" is being launched today. The Institute

has a vigorous programme of scholarly conferences, workshops and seminars. Research in certain new areas like defence economics has been initiated. I warmly congratulate IDSA for these initiatives. There is, however, much work to be done in the future to achieve the level of excellence the Institute aspires for; and to serve the growing needs of India, which is destined to become a major player in global affairs.

I am also extremely happy to note that an annual award has been instituted in honour of Shri K. Subrahmanyam, who is rightly regarded as the doyen of strategic thinkers in India; and the first award is being conferred today. It is only appropriate that this is happening on the IDSA's Foundation Day as Shri Subrahmanyam had helped to found this Institute and nurtured it with care in its formative years. I have no doubt that this award will inspire younger scholars to strive for the benchmarks of excellence set by Shri Subrahmanyam.

Our Chief Guest today, will speak on "Emerging Challenges for India's Foreign and Security Policies" and we are keenly looking forward to his Address. I would, however, like to share just a few thoughts with you, ladies and gentlemen, on the need to take a holistic view of the foreign and security policy challenges facing the country.

Our national goal is the rapid development of the country, within a democratic polity. We aspire for a nation in which economic growth is inclusive and the polity accommodates the legitimate aspirations of different sections of society. To achieve the objective of rapid and inclusive growth, and eliminate poverty, we need to maintain high rates of growth, averaging 9-10 per cent for the next few decades.

If we have to succeed in the international arena and secure our vital national interests, it would be essential for us not only to have a strong defence, but also a robust economy. In fact, the two are closely inter-linked. We have begun to enjoy a much greater measure of international respect due to our vibrant democracy, a dynamic economy and a strong defence capability.

If India's democratic fabric is to be preserved and a high growth rate is to be achieved, we will need to meet a few pre-conditions. The first is to ensure truly inclusive growth, so that all sections of our society enjoy the fruits of development and internal dissatisfaction is not created. The second is to preserve our secular ethos so as to avoid divisions in our society, which make it weak and vulnerable. The third is to focus on education, including higher education. If we want to make knowledge as the principal driver of India's growth, then higher education with an intense focus on research,

technology and innovation must receive high priority. The fourth precondition is infrastructure, not only in terms of roads, airports and the like, but also planned urban renewal and development. In years to come, large numbers will migrate to cities in search of better economic opportunities and failure to plan and provide for mass migration to cities will lead to tensions and instability. Fifth is the provision of Energy to meet our rapidly growing needs. Unfortunately, we are heavily dependent on the import of hydro-carbons and this dependence is likely to continue. Without energy, sustained economic growth is impossible. To meet our growing energy requirements, a multi-pronged strategy needs to be pursued. This will include development of alternative sources, fuels and nuclear energy. The sixth precondition, is to ensure that we protect our environment and prepare for climate change. All our efforts to develop will come to naught, if we do not address the problem of the rapidly degrading environment. Finally these measures must be accompanied by a proactive and vigorous foreign policy, seeking to develop strategic partnerships with all the major powers in the world and friendly and mutually-beneficial relations with our neighbours.

These vital needs of the nation should set the agenda for IDSA's future work. As I have pointed out earlier, we need to take a holistic and comprehensive view of our security, as the success of our foreign policy initiatives depends to a large measure on our ability to deal with the range of challenges, I have identified.

And yet, we cannot afford to neglect the current threats like terrorism, proliferation of Weapons of Mass Destruction and conventional conflict. However, peaceful the orientation of our foreign and defence policies, these threats are real and we cannot afford to lower our guard. As Plato had wisely observed many centuries ago: "only the dead have seen the end of war". While traditional challenges remain, they are likely to become more complex with some of the emerging trends.

I have shared this perspective with you to urge you to take an integrated and multi-dimensional view of security. This will make your research findings richer and more policy-relevant. The world is becoming increasingly complex. IDSA's research should factor in this complexity of present day realities.

I am happy to make an announcement that in the memory of Late Shri Y B Chavan who was President of IDSA for long time when he was Defence Minister, IDSA will be organising Y B Chavan lecture in his memory.

Let me conclude by felicitating you on your 42nd Foundation Day once

again and wishing you success in all your endeavours. I wish you rapid progress and hope that you will realise your vision to become a 'world-class' Institute in the near future.

Thank you.



061. Address of Defence Minister A. K. Antony at the Foundation Day Celebrations of the Institute of Defence Studies and Analysis.

New Delhi, November 10, 2007.

I am happy to be present amidst you at the 42nd Foundation Day of the Institute. At the very outset, I wish to congratulate the Institute for successfully completing over four decades of service to the nation. IDSA was set up to provide inputs on security-related and strategic issues of national and international importance. Till now, it has performed its task admirably.

Today, India has firmly established itself on the centre-stage of international politics. In such a scenario, the responsibility on you will no doubt increase manifold. Technology is changing at an unbelievable speed. As a result, the transmission of information takes place at light speed. The challenge therefore, to keep pace with these technological changes is more pronounced than ever before. The choice before us is clear - to either let the events shape us, or enhance our ability to shape the events. Our collective endeavour must be to shape the events - to the maximum possible extent.

With our growing stature, the need of the hour is to develop stronger defence capabilities to safeguard our interests. As a prominent regional player, we will be called upon to play an increasingly significant role in ensuring peace and stability in our immediate as well as extended neighbourhood and in the Asian region. We have to ensure that our security apparatus is well-equipped to deal with various challenges effectively.

Our security forces face several challenges. Though traditional threats do exist, there are little chances of a conventional war breaking out. However, there may be scattered incidents of localized skirmishes, border incursions, civil strife, maritime or other potential threats.

Besides traditional threats, there are the unconventional threats. Terrorism with its global networks, financing and support from various quarters is one such challenge. Increasingly, terrorism is being outsourced to local criminals and miscreants to hide the real source of its origin. Insurgents supported by external forces, propagating extremist ideologies result in irregular, but long-drawn out warfare.

The changes in technology have given rise to 'disruptive threats' - of what is known as cyber warfare. A few nations are believed to be providing training to a large numbers of 'hackers' to attack highly intricate and networked systems. The aim of these cyber attacks is to disrupt functioning of government agencies, gain illegal access to sensitive information and break into banking systems.

Disruption could also be caused by extreme weather conditions and demographic changes. Climate change could also lead to disasters of unimaginable proportions - as was the case during the Tsunami that struck in 2004. At present, the security agencies are not fully structured to deal with such disruptive challenges effectively. Such crisis situations demand quick and effective responses. The need of the hour is to devise integrated strategies for better assessments, contingency planning and making long-term forecasts.

In the days and years to come, we need to be better prepared to deal with the challenge posed by Weapons of Mass Destruction. These weapons could be nuclear, radiological, biological and even chemical. The access of terrorists to such technologies and materials could make the situation worse.

The changing dynamics of the security situation call for eternal vigil and a continuous review and reform of the country's security apparatus. The need of the hour is to undertake specialized research into evolving geo-political developments, Inter-State relations and monitor and analyse the latest developments in our neighbourhood.

At the same time, we must not lose sight of the long-term global trends, security challenges and continue to modernise defence technologies, re-evaluate policies and organisational structures needed to counter various challenges effectively.

However, increasing costs of new technologies and equipment require that we meet our requirements indigenously and to gradually eliminate our

reliance on foreign assistance. Increased transparency and fairness in all defence-related expenditures would prove to be cost-effective in the long run. It must be our firm resolve and commitment to enforce the principle of 'Zero Tolerance' to corruption in meeting our defence requirements.

IDSA has played an important role in enhancing security awareness and strategic thinking over the years. However, a lot more still needs to be done. You must keep track of the latest changes in research methodologies and constantly update your knowledge of security related issues - both national and international. It must be our collective endeavour to ensure that India remains at the forefront of the 'Knowledge Revolution' that will shape nations and societies in the future.

You must take good care of the available physical infrastructure and make optimum use of available human resource for the tasks ahead.

I once again congratulate all of you for the Foundation Day. I hope that you will continue to strive to make more meaningful contribution to security-related issues and take your organization to greater heights.



062. Speech of External Affairs Minister Pranab Mukherjee at the High-Level Conference on "Asian Economic Integration: Towards an Asian Economic Community".

New Delhi, November 12, 2007.

Dr. Arjun Sengupta,

Distinguished Delegates,

Ladies and Gentlemen:

It is a pleasure for me to be associated with this high-level conference. I am particularly delighted and impressed by the galaxy of distinguished participants who are present here. I believe this event is an important example of the kind of intellectual cooperation between Asian institutions and experts that is the need of the hour for promoting broader Asian regional cooperation. Our minds have to meet before our economies can and this gathering of Asian scholars is exactly what is needed to kick-start our efforts for realizing the Asian dream! I commend RIS for taking this initiative to

launch a long-term programme of networking with Asian think-tanks with the aim of providing a roadmap to Asian leaders and policy makers. It is also a very timely event as it comes on the eve of the third East Asia Summit scheduled for next week in Singapore.

When we talk of Asian economic integration and its potential, we often hear how the 21st century is destined to be the Asian century. A peep into Asian history will show that this is not as revolutionary a state of affairs as is sometimes presumed. The Asian continent was the centre of gravity of the world economy for much of the previous millennium. Various studies show that, in 1000 AD, Asia (excluding Japan) accounted for more than two-thirds of world GDP based on the strengths of the Chinese and Indian civilizations. Indeed, China and India were world leaders in terms of technological and economic development during most of the period from 500AD to 1500AD. Both countries constituted significant political systems and sophisticated economies, bolstered by well-developed industries, overseas trade and important advances in science and mathematics that led to some of the most important inventions of the time. Because of rising incomes in Western Europe, Asia's share by 1820 AD had come down but was still a substantial 56 per cent. It was only during the period 1820 to 1950, due to reasons that are well known to all of you, that Asian incomes stagnated and brought Asia's share in world GDP down to only about 20 per cent.

This situation underwent a change over the second half of the last century as Asia sought to retrieve lost ground. Indeed, the economic progress achieved by Asia in the fifty years since the end of the Second World War has been the fastest in human history. The Japanese example of rapid growth in the 1960s and 1970s was followed in rapid succession by the success stories of the Asian Tigers and 7% annual growth became a routine affair in East Asia. China has achieved an average growth rate of about 9% per year since 1980. In recent years, riding on the back of important measures of economic reform and liberalization, the Indian economy has achieved an average annual growth rate of 6% over the 1980s and 1990s and is currently growing at about 9% annually.

These developments constitute the backdrop of the vision that sees the center of gravity of the world economy shifting to Asia in the 21st century. You are all no doubt well-acquainted with the Goldman Sachs report, according to which, by the middle of this century, 3 of the world's top 4 economies will be in Asia, namely China, India and Japan. By the year 2010, 60% of the world's population in the 20-35 age-group is likely to be

Asian, contributing a vast pool of producers of goods and services and driving global demand. This will inevitably make Asia the fulcrum of economic activity in the 21st century.

Friends, if we look at individual economic performance, practically all Asian countries can point to a proud record. If at all there are lacunae in our record of economic performance, they are perhaps in the area of regional economic integration. Asian history suggests that there was vibrant trade, economic and cultural exchange between Asian countries in pre-colonial times. There is no reason why this experience cannot be replicated. The recent past has witnessed a series of attempts in precisely this direction. This is manifested in the setting up of Free Trade Areas like the ASEAN Free Trade Area (AFTA) and the SAARC Free Trade Area (SAFTA). In addition, China, Japan, India and South Korea are working with ASEAN on comprehensive economic cooperation pacts, covering free trade agreements to be implemented in the coming decade. There is a growing realization that we need an overarching framework for these important initiatives that help the countries of the region exploit the synergies between them for mutual advantage. Hence, proposals for a pan-Asian economic grouping such as that of an Asian Economic Community have begun to be discussed.

In India, we have always attached great importance to the concept of Asian unity and identity. The first Prime Minister of India, Pandit Jawaharlal Nehru, was perhaps ahead of his times when he saw the possibilities that Asian unity could offer. Many of the factors that drive Asian cooperation and interdependence today, such as globalization and trade liberalization, had not emerged in his lifetime. Nevertheless, he was clearly driven by a common vision of Asia when he spearheaded two important Asian movements of his time - the Asian Relations Conference in Delhi in 1947 and the Bandung Conference in 1955. It is significant that this conference marks the Sixtieth Anniversary of the Asian Relations Conference!

The dynamics of globalization and the growing economic potential of Asia justify the resurrection of that vision of Pan-Asian regionalism. Driven by this vision, India has been striving to strengthen relations with its Asian partners who are gathered under the umbrella of the East Asian Summit. We believe that such cooperation is economically logical and will help make this century the century of Asia. It was in this context, and with this vision of an Asian century that our Government unveiled the "Look East" policy in 1991, which is now a vital part of India's foreign policy.

The Look East policy has a strong economic rationale. With the two way trade of India with EAS countries crossing \$80 billion, East Asia as a region is today India's largest trade partner, ahead of EU and also ahead of the US. This region has also emerged as an important region for two way investment flows and other economic exchanges. Recent years have also seen India pursue a number of policy initiatives, bilaterally as well as multilaterally, with the countries of the region. This has taken place through our engagement with ASEAN, ARF, BIMSTEC, Mekong Ganga Cooperation, and now through the mechanism of the East Asia Summit.

These policy initiatives vis-à-vis East Asia are the logical consequence of our new economic policies, which emphasize openness and integration. An open and fast growing India has much to offer to Asia, helping knit the continent together in a manner never seen before. It is with this conviction that India espouses a vision of an Asian Economic Community that could drive Asia's emergence as the epicenter of the global economy. It is relevant here to recall the words of Prime Minister Dr. Manmohan Singh at the Third India - Asean Business Summit in October, 2004. He said, and I quote:

"Such a community would release enormous creative energies of our people. One cannot but be captivated by the vision of an integrated market, spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient road, rail, air and shipping services. This community of nations would constitute an "arc of advantage" across which there would be large scale movement of people, capital, ideas and creativity. Such a community would be roughly the size of the European Union in terms of income, and bigger than NAFTA in terms of trade. It would account for half the world's population and it would hold foreign exchange reserves exceeding those of the EU and NAFTA put together". Unquote.

Friends, there is no doubt that it will take a great deal of time, energy and perseverance to translate this vision into reality. But we should at least start thinking about the idea and develop the roadmap for its realization. An important development in the direction of building a cooperative architecture in Asia is the East Asia Summit to be held in Singapore next month, with the participation of ASEAN, Japan, China, South Korea, India, Australia and New Zealand. This Summit could provide an important platform for initiating the process of creation of an East Asian Community. Such a Community could be an important step in the direction of creation of an "arc of advantage

and prosperity" that would act as an anchor of stability and development for Asia and beyond as articulated by Prime Minister Manmohan Singh and then Japanese Prime Minister Koizumi in the Joint Statement signed on April 29, 2005 during Prime Minister Koizumi's visit to India.

Studies by RIS and other institutions show that economic integration within the East Asian Community has the potential to generate billions of dollars of new output and thus serve as an engine of growth for the continent and the world economy. Monetary and financial cooperation in Asia, designed to mobilize the huge foreign exchange reserves of Asian countries for development of regional infrastructure, could have the potential of creating hundreds of billions of dollars of additional output while helping to overcome the infrastructural constraints for Asian development.

Asia, therefore, today stands at the cusp of exciting times, which hold a bright promise for our future collective endeavours. We share the responsibility to shape our collaboration to liberate the creative energies of the entire region. It is incumbent on us to put in place a political and economic architecture which is conducive to Asia's emergence as a pre-eminent region of stability and prosperity. Sixty years ago, delivering the inaugural address of the Asian Relations Conference in New Delhi, Pandit Nehru said, and I quote: "Strong winds are blowing all over Asia. Let us not be afraid of them, but rather welcome them; for, only with their help can we build the new Asia of our dreams. Let us have faith in these great new forces and the dream which is taking shape. Let us, above all, have faith in the human spirit which Asia has symbolized for these long ages past." Unquote.

Ladies and Gentlemen: India constantly seeks closer and wider engagement with her Asian neighbours and is willing to work with them to realize the aspirations and dreams that Pandit Nehru spoke of. Let us therefore work together to make the 21st century truly the Asian century.

I thank you for your attention and wish you success in your endeavors.

Thank you.



063. Speech of External Affairs Minister Pranab Mukherjee delivered at New Delhi Haj Terminal for the Inaugural Haj Flight: November 12, 2007 for Haj Pilgrims.

New Delhi, November 12, 2007.

Smt. Sheila Dixit, Honourable Chief Minister of Delhi.

H.E. Mr. Saleh Mohd. Al-Ghamdi, Ambassador of the Kingdom of Saudi Arabia to India Shri Iqbal Ahmed Saradgi, Hon'ble Member of Parliament and Chairman, Haj Committee of India and Members of the Haj Committee of India, Shri Raj Kumar Chauhan, Hon'ble Minister of Revenue and Development, Government of Delhi.

Hon'ble Members of Parliament,

Chairmen and Members of the Delhi State Haj Committee,

Distinguished Religious Scholars,

Members of the Media, Ladies & Gentlemen,

Assalaam-o-Alaikum,

On behalf of the Government of India and on my own behalf, I convey my best wishes to all the pilgrims who are embarking upon the pious journey for performing the Haj. The Government is happy to have facilitated the accomplishment of your cherished dream of performing Haj and for you to be able to pay respects at the Holy Mosque at Madinah. Haj is a precious gift from the Almighty Allah and all of you are fortunate that you have been chosen as his guest and permitted you to visit His House.

2. Government of India attaches the greatest importance to the fulfillment of the religious obligations of Indian Muslims and pays close attention to the arrangements made in India and Saudi Arabia to facilitate the Haj pilgrimage. Ministry of External Affairs, in collaboration with the Ministry of Civil Aviation, our Missions in Saudi Arabia, H.E. the Ambassador of Saudi Arabia, other agencies of the Government of India, the Haj Committee of India and the State Haj Committees have been working to take all necessary measures to provide and improve facilities and services for the pilgrims in Jeddah, Makkah Mukarramah, Madina Munawwarah and the Mina/Arafat areas.
3. With this aim my colleague, Shri E. Ahamed, Minister of State for

External Affairs, senior officials from the Ministry of External Affairs and the Ministry of Civil Aviation and Air India along with Chairman and Members of Haj Committee of India, have visited Saudi Arabia from time to time this year and have held extensive discussions with Saudi Arabian authorities and Saudi Arabian Airlines about various issues concerning our pilgrims. Shri E. Ahamed visited Saudi Arabia in May this year to sign the Haj 2007 Agreement. Accommodation of pilgrims in Saudi Arabia and their air transportation to and from India constitute two of the core Haj arrangements which are planned well in advance of the Haj. In order to provide maximum convenience and comfort to the pilgrims, it has been decided that, as in the previous years, only such buildings, which are suitable, are being hired for the stay of Indian pilgrims for Haj 2007.

4. During Haj 2007, India would be sending one of the largest contingents of Haj pilgrims 157,000. Of those going through the arrangements of Haj Committee of India about 59,000 pilgrims are being transported through Saudi Arabian Airlines; Air India would be carrying the remaining 51,000 pilgrims. Like last year, arrangement have been made for some of the Indian pilgrims to travel directly to Madinah Munawwarah and return directly from there. I am happy to note that Varanasi has been added as a new embarkation point from this year, in addition to the existing fifteen embarkation points for the Haj pilgrimage.
5. A significant aspect of the arrangements for Indian pilgrims for Haj 2007 is the enhanced use of Information Technology through computerization of pilgrim location and movement including all those who are going through private tour operators. Relatives sitting in India can now find out, through the website of the Indian Consulate General in Jeddah, the whereabouts of their relatives performing Haj and can communicate with them during their stay in Saudi Arabia. We are happy that this year, in all States except one, Qurrah, where required, was held through computers using the software provided by the Haj Committee of India.
6. The coverage of Cash Loss and Baggage Loss cases under the Accident Compensation Scheme, which was introduced during Haj 2004, continues. Haj Committee has also continued with the system of issuance of foreign exchange amount in Saudi Riyals in cash to the pilgrims at all the embarkation points in India itself. This system

has worked very well and helped the pilgrims to reduce the waiting time on arrival at Jeddah.

7. Keeping in view the problems faced by the pilgrims going through the Private Tour Operators, the Government started the registration of Private Tour Operators from Haj 2003. This has resulted in substantial decrease in the complaints received from the pilgrims. We continue to streamline the activities of the Private Tour Operators further for the overall welfare of pilgrims. As in the past year, the Private Tour Operators have been advised to provide coverage under the Accident Compensation Scheme to pilgrims being taken by them.
8. Indian Embassy in Riyadh and Consulate General of India, Jeddah have been entrusted with the responsibility of the arrangements made for the Indian pilgrims in the Kingdom of Saudi Arabia. In case of any difficulty during stay in the Kingdom of Saudi Arabia, the pilgrims are requested to approach the officials of the Indian Embassy/Indian Consulate who shall be available in Jeddah, Makkah Mukarramah, Madina Munawwarah and also at centers established at Mina/Arafat during Haj period. The Government of India is also deputing about 506 administrative and medical staff who along with the officers and staff of the Consulate General of India, Jeddah would try to ensure the provision of all requisite facilities to the Indian pilgrims. The Government is also facilitating the deputation of about 200 Khadim-ul-Hujjajs being sent by State Governments.
9. Improvement in Haj management is a continuous process. The Government and the Haj Committee of India constantly strive to make the Haj as comfortable as possible despite the magnitude of the logistics of movement, accommodation and air transport. On its part, the Government of the Kingdom of Saudi Arabia also makes every possible effort to improve the Haj arrangements. During Haj there is a congregation of more than thirty lakh pilgrims coming from all over the world. Despite such a large number of pilgrims, the Government of the Kingdom of Saudi Arabia has time and again exhibited that they are keen and capable of handling this job and provide their best facilities and services to the pilgrims. We are grateful for their support. During this spiritual and religious journey of Haj, I would urge you to kindly demonstrate exemplary patience, particularly while stoning at Jamarat, to be careful about your own security and that of your companions in the huge congregation.

From the time you leave for Haj pilgrimage till the time you return to your home, you are on the path leading to Allah. Your patience and forbearance would definitely prove rewarding. I would also request you kindly to pray for the welfare, peace and prosperity of our country.

10. Once again, on behalf of the Government of India and on my personal behalf, I offer my heartiest greetings to all of you and I extend my best wishes for a very successful Haj. May Almighty Allah reward you with a perfectly accomplished Haj.(Ameen).

Thank you,

Jai Hind.



064. Speech of External Affairs Minister Pranab Mukherjee at the Inauguration of the New Campus of the Foreign Service Institute.

New Delhi, November 14, 2007.

"The World Today - An Indian Perspective"

Foreign Secretary, Shri Shivshankar Menon

Dean Foreign Service Institute, Shri Surendra Kumar

Trainee Officers of the Foreign Service Institute,

Excellencies, Distinguished Guests,

Ladies and gentlemen.

The formal inauguration of these impressive new quarters of the Foreign Service Institute would have been a significant duty for me to perform on any day of the calendar. That it should coincide with the 118th birth anniversary of Pandit Jawahar Lal Nehru marks it as a particularly auspicious beginning. As independent India's first Prime Minister and Minister for External Affairs, Pandit ji not only played a critical role in shaping modern India's foreign policy, but also took a personal interest in the selection and training of Foreign Service officers. With him as the guiding spirit of this

institution, I am confident that the Foreign Service Institute is well-equipped to discharge its functions of training the coming generations of India's diplomats and imparting them the knowledge and skills they need to serve the nation in today's world.

The world that the alumni of this Institute are training to serve in is characterized by relentless change. The effects of this change are felt more keenly than ever before because the world today is also connected like never before. Interdependence is the defining characteristic of international relations today. The notion of power, critical to understanding international relations at any time in history, has also evolved significantly and the relatively new construct of "soft power" now attracts significant attention in foreign offices across the world.

The Indian mind is comfortable with change and connectedness. The enabling environment created since the mid-80s, and especially since 1991, has allowed India's entrepreneurs and professionals to leverage change and create wealth and employment on an unprecedented scale. In the same vein, the challenge before the Indian Foreign Service in today's interdependent world is to leverage India's unique soft power to sustain the right external environment and enable India to pursue her national goals successfully. I am confident that with the efforts of this Institute and with the backing of other significant actors in foreign policy, such as Parliament, media and academia, this is eminently possible.

The world today is unfortunately not only about expanding economic and technological horizons. There are dangers and pitfalls such as poverty, environmental degradation, constriction of political freedom and choice, growth of extremism and intolerance, international terrorism, proliferation of weapons of mass destruction and the risk of their falling into the hands of irresponsible actors, pandemics, energy security and climate change. Quite often, the manner of addressing some of these challenges poses a challenge in itself. For a large, diverse, developing democracy located in a region going through many painful transitions, these are not academic concerns, but real, daily issues. We have to respond to them energetically, creatively and in partnership with other actors on the international stage.

From our perspective, the primary challenge for the world today has to be the elimination of poverty and a radical improvement in the living standards of people in the developing world. Much of the industry in the developing world needs significant technology upgrades to become globally competitive. Agriculture faces challenges of productivity, technology, managing scarce

water resources and establishing marketing standards. Infrastructure needs a drastic overhaul. Access to predictable, affordable and environmentally sound energy resources, in particular, has emerged as a major bottleneck and must rank foremost in our priorities. A priority task of Indian diplomacy has to be the facilitation of the developmental process, promotion of trade and investment flows, securing predictable and affordable energy supplies and ensuring the widest possible access to technologies. While the primary development effort has to be national, we need to leverage international partnerships to the best possible effect.

The second challenge is institutional. While people are sovereign in choosing how to govern themselves, the Indian experience is that democracy is essential to the management of the diverse aspirations of a plural society. It is also undoubtedly one of the best tools to manage social change without upheaval and violence. As the world becomes more connected and interdependent, the diversity that we see at the level of individual nations will necessarily get more and more reflected at the global level. The management of this global diversity under conditions of interdependence would require the application of democratic principles to global governance as well.

India is not looking for new poles, but rather a pluralistic world order that is reflective of the diversity of the world today and accommodating of new players who can contribute solutions to tomorrow's problems. In this context, the composition of the UN Security Council too needs to come to terms with present reality and reflect future potential. This premier institution of global governance needs to be democratized and India needs to find its rightful place in an expanded Council.

Another priority has to be a significant diminution, if not outright elimination, of the threat of war and conflict. Peace and security are indispensable in confronting challenges that the international community will face in the coming years. In India, we are acutely aware of the ferment in our neighbourhood and the need to ensure a peaceful periphery for our and the region's development. Here again, international priorities blend with our national priorities.

Tighter inter-linkages and shared stakes do diminish the prospects of traditional conflict, but old sources of conflict are now being joined by new threats related to proliferation, terrorism as well as natural disasters and pandemics like HIV/AIDS or Avian Flu. Proliferation of weapons of mass destruction and the possibility of their falling into the hands of terrorists

must rank among the most critical challenges facing the world today. The issue cannot be addressed merely by focusing on supply-side technology controls. The so-called A Q Khan network made a mockery of these controls. A new approach is required, which also prioritizes disarmament. India has always pursued the objective of global disarmament, based on the principles of universality, non-discrimination and effective compliance.

Given its record of restraint and responsible behaviour, India's participation as a full partner in a new global consensus on non-proliferation would strengthen global efforts in this arena. Conscious of our responsibilities, we have adopted a comprehensive export control system, harmonized with international best practices, and reiterated our traditional commitment to nuclear disarmament through a Working Paper submitted to the United Nations General Assembly. We believe that a good beginning would be to formalize a no-first use agreement internationally as a step towards delegitimizing nuclear weapons. This approach was adopted in 1925 in the Geneva Protocol on chemical and biological weapons and ultimately led to their elimination.

Finally, from my perspective, an essential priority for the world today has to be a new consciousness, not just among the political elites, but also among the peoples of the world, that their choices and their actions affect all others on this planet. This consciousness is what would break down the barriers to greater global cooperation and lead to the structures and processes that are needed to address international challenges such as climate change and energy security. And this is where the voice of India's diplomats can best be heard. However, this is a subtle task. A narrow consciousness can hardly be the best communicator of a global consciousness. Therefore, I would call upon our future diplomats to reflect the best of Indian civilization when interacting with the world.

In the timeless words of India's 'best' diplomat, Krishna, a diplomat's speech "should not disturb the mind of the listener; it should be precise with correct use of language; and again, if possible, it should be of utility to the listener."

With the hope that some of what I have said has been of some utility to those gathered here today, let me conclude by congratulating the officers and alumni of the FSI on gaining these new premises. May the FSI's new portals welcome and train a new generation of diplomats destined to take India to loftier heights.

Thank you.



065. Extract from the speech of Prime Minister Dr. Manmohan Singh at the All India Congress Committee Session.

New Delhi, November 17, 2007.

We are meeting here at the AICC Session today after a gap of almost two years. We last met in January 2006 in Hyderabad where we had discussed the working of the party and the Government. We had also taken many important decisions. In the intervening twenty two months, there have been many events, many elections. The Government has taken important steps on many fronts. There have been controversies on some issues as well. This is an opportune moment for all of us to reflect on the prevailing situation in the country, in the party and in the Government and think about the action we need to take in the future.

* * * *

I would like to remind you of the conditions that prevailed across the length and breadth of the nation a few years ago. Do think about the conditions prior to 2004. Communal tensions were at their peak throughout the country and attempts were being made to divide people on the basis of religion, caste, language and religion. There is no need to remind you of what happened in Gujarat in 2002. As far as the law and order situation is concerned, terrorism was spreading across the country. The hands of terrorists could reach anywhere – be it Raghunath Mandir in Jammu, be it Akshardham Temple in Gujarat or be it our Parliament itself. Farmers were groaning under a burden of debt and in some states, there were waves of suicides going on. The economic condition of the country was not better either. Agriculture, rural areas, education, health care and backward regions were all neglected by the Government. As for foreign policy, our relations with our neighbours were going through ups and downs. On one hand, there were attempts to promote peace at Agra and Lahore and on the other, there was war in Kargil. All this was branded as 'India Shining'. Shining for whom? Shining for which region? Shining for which class of people?

* * * *

On the external front, our Government has been successful in maintaining harmonious and friendly relations with all our neighbouring countries, with major powers of the world and with the countries of the Middle-East, Africa and Asia. We are in the process of finalizing a historic agreement with the United States which will enhance our prospects of increasing the production

of nuclear power. There are doubts and misgivings in many minds about this agreement. If we see the pace at which our economy is growing, it becomes apparent that we will have to expand our power generation capacity on a massive scale. It is also apparent that it will be impossible to fulfill our needs solely through thermal and hydro electric power. We need to locate new sources of energy if we want to maintain our growth rate and we want to eliminate poverty. One possible source is nuclear power. This route has, so far, been closed. The Civil Nuclear Agreement is an effort to open closed doors so that we can obtain nuclear fuel and technology from other countries, such as USA, Russia and France, and remove the shortage of electricity in the country. You need to understand this reality and explain it to our people.

We have had a historic and long-standing relationship with the countries of the Middle-East and the Persian Gulf. Over fifty lakh citizens are working there for their livelihood. We have always sought peace in this region – be it Iraq, be it Iran or be it any other country. The bulk of our petroleum and energy requirements come from this region and our energy security is critically dependent on the conditions there. It has been — and will be — our effort to reduce tensions there and promote peace and harmony. We have also improved our relations with China, Pakistan, Russia, European Union, ASEAN, Japan and other countries. With Pakistan, it has been our consistent effort to improve our relations, to promote freer movement of people and to expand trade and economic relations. I have always believed that the destinies of our two nations are linked. Both nations should realize that terrorism and religious fundamentalism are common challenges to both the countries and are dangerous to peace and prosperity in the region. Therefore, it is essential that we co-operate to promote peace. It has been our effort to ensure that we have an environment of peace and harmony all around us so that the development options available to us can expand.

Brothers and Sisters,

All that I have said so far does not imply that there is nothing else to do. We have only created a new architecture of development, started new programmes and vastly expanded government expenditure. We need to now ensure that all these programmes run efficiently for the next five to ten years, that implementation is effective and that funds given to States are utilized in a proper manner. We have to ensure that the benefits of the expansion in health and education programmes reach every citizen of the country. The programmes begun for the welfare of women, scheduled

castes, scheduled tribes and minorities should reach every nook and corner of the nation. The Government needs to work hard in this direction. It is the solemn duty of every one associated with the Government – Ministers, peoples' representatives and employees – to work hard till the desired results are not achieved. State Governments should work hard to counter naxalism, terrorism and communal forces and promote an environment conducive to development. Congress party workers should take the lead in all these matters. We should ensure that poverty alleviation and improving the conditions in our rural areas remain at the forefront of all our efforts.



066. Extract from the Resolution adopted by the All India Congress Committee relating to foreign policy issues.

New Delhi, November 17, 2007.

1. The AICC congratulates the President of the Indian National Congress, Smt. Sonia Gandhi for her sustained efforts and endeavours that have resulted in the UN General Assembly declaring October 2nd as the International Day of Non-violence. While there is worldwide appreciation for the enhanced relevance of Gandhiji, there are ideologies and individuals in our own country who heap abuse on him, on his memory and his achievements as a unique political leader and bold social reformer. The AICC meets at a time when Gandhian ideas and ideals are under severe assault. The AICC calls on Congressmen and women across the country to remain vigilant and thwart these nefarious designs with all their might. The AICC recalls here that the 75th anniversary of the historic Poona Pact, which fell just two months back, and that paved the way for the social emancipation and political empowerment of *dalits* (and *adivasis*) in our Constitution, was made possible by an agreement between Mahatma Gandhi and Dr. Babasaheb Ambedkar. The AICC also recalls here that while piloting the Constitution in the Constituent Assembly on November 25, 1949, it was Dr. Ambedkar who had said that the Constitution would not have been possible without the Congress and its visionary leaders. The legacy of the Father of the Nation is under siege in his own home state and it is the bounden duty of every Congressman and woman to see to it that Gujarat of Gandhiji is rescued from the clutches of those who have been brought up in the ideological

shadow of Nathuram Godse. The AICC calls upon the Congress-led UPA government to revitalize all Gandhian institutions and make them vibrant institutions of social change once again.

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26. The AICC lauds the Congress-led UPA government for taking a number of important initiatives to enhance India's standing in the world community. Our Prime Minister has given India's foreign policy a new boost, both by his personal standing and his vision. The AICC welcomes the Prime Minister back from his successful visit to Russia earlier this week, which has given our bilateral relationship a new direction. This time-tested strategic partnership is of vital significance and extends to various aspects of human activity ranging from high science to culture, from defence to energy, from space to nuclear energy, reflecting the quality and depth of India-Russia ties.
27. Recently, the Congress President has returned from a very successful visit to China where she was accorded the rare honour of being the first foreign leader to meet with the top Chinese leadership after the Congress of the Chinese Communist Party. Her speech at Tsinghua University was widely acclaimed in China and the AICC congratulates her for this. Together, India and China have an opportunity with the other major powers, to contribute to an improvement in the world situation. The relationship between the two countries has deepened ever since Rajiv Gandhi's epoch-making visit in December 1988.
28. The AICC congratulates the Congress-led UPA government for setting up a full-fledged Ministry of Overseas Indian Affairs. It welcomes the initiatives being taken by this Ministry for the welfare of Indian workers in West Asia. The AICC applauds the outstanding achievements of Indian scientists, doctors, engineers and other professionals in countries like the USA, UK and Germany. At the same time, the AICC salutes the hard work and toil of lakhs of Indian workers in West Asia who have earned a name for themselves by their diligence and who are a major source of remittances to their families in India which helps in the growth of our economy. The AICC places on record its appreciation of the Prime Minister's personal efforts to build a new economic and strategic relationship with countries of West Asia. Expanding ties with countries like Saudi Arabia and the UAE is particularly significant.

29. The AICC recalls that right from the days of Jawaharlal Nehru, the Congress has remained unwavering in its support to the Palestinian cause. The Congress has always supported the establishment of a sovereign, independent viable state of Palestine, within well-defined and recognized borders, living side-by-side at peace with the state of Israel through a negotiated solution to the conflict there. The AICC calls upon the Congress-led UPA government to expand its aid and emergency relief programme to the Palestinian authorities.
30. The AICC appreciates that India's Look East policy is leading to closer political and economic relations with countries of Southeast Asia with whom India has had intimate cultural links in centuries gone by. The AICC wants to impress upon the Congress-led UPA government that India's Look East Policy will be truly meaningful when it begins to have a demonstrable impact on the states of our Northeast.
31. The AICC recognises that many of our neighbours are passing through difficult internal transitions. The situation in Pakistan is a matter of grave concern since anarchy, terrorism and extremism have an immediate effect on us. The AICC believes in a stable, peaceful and democratic Pakistan. The AICC hopes that the situation in Pakistan will return to normal soon and the India-Pakistan dialogue process can be resumed with full vigour sooner than later. The AICC hopes that the people of Nepal will have an opportunity to choose their own future and the nature of the institutions that will govern them through early elections to the constituent assembly. Bangladesh too is attempting a difficult process back to democratic normalcy. The AICC would like Bangladesh to continue on the path of democracy and secularism. The AICC notes with concern that peace and an internal constitutional settlement acceptable to all communities within the framework of a united Sri Lanka has still not been achieved. The Congress-led UPA government's efforts towards this end should continue. The LTTE, categorized internationally as a terrorist outfit, deliberately assassinated our beloved leader in a brutal manner. The sentiments of all Congressmen and women especially are bound to get hurt if the LTTE is eulogised in any manner. AICC notes with satisfaction that relations with Bhutan have been consolidated and improved and are reflected in the new India-Bhutan Friendship Treaty signed in February 2007. The AICC welcomes the dialogue process in Myanmar and hopes that normalcy will return to Myanmar soon.

32. India today has strategic partnerships and relations with 12 countries and the EU. India has strategic dialogues with Brazil, China, the European Union, France, Germany, Iran, Indonesia, Saudi Arabia, Japan, Russia, South Africa, UK , USA and Vietnam. These are consistent with India's pursuit of non-alignment as a means of expanding India's strategic autonomy and freedom of choice. For instance, India's defence ties with countries in the region and beyond have continuously increased over the years as our armed forces and our defence production gain recognition as among the best in the world. India conducts joint exercises, training and other activities with a number of countries including Russia, China, the USA, Japan and the countries of South East Asia.
33. The AICC calls upon the Congress-led UPA government to take all steps to deepen economic and political engagement with African countries. The Prime Minister has visited South Africa and Nigeria and is soon to visit Uganda. This is a continent with which the Congress Party has always had a special relationship.
34. International cooperation on our terms within an overall framework of self-reliance has always been the founding principle of our nuclear programme that is a precious legacy of Jawaharlal Nehru. In this context, the AICC welcomes the nuclear cooperation agreement with the USA. It is convinced that it will end India's isolation in the international nuclear community and will enable it to access technology more easily so as to significantly increase the contribution of nuclear energy to our electricity supply over the next two decades. The AICC has no doubt that the nuclear agreement protects India's fundamental strategic interests in every way.
35. Even as our credible minimum nuclear deterrent is maintained purely from the point of view of securing the country's defences, the AICC recalls that the commitment of the Congress to comprehensive, universal nuclear disarmament has been both profound and steadfast. We have never compromised in this belief even as strategic compulsions have forced us into nuclear weaponisation. In this connection, the AICC also calls upon the Congress-led UPA government to actively build upon the Rajiv Gandhi Action Plan for a Nuclear Weapon-Free and Nonviolent World Order that was submitted to the UN General Assembly in June, 1988.

36. The AICC has always believed in a foreign policy that upholds and promotes the interests of India. It condemns the efforts of some political parties to give a communal colour to our foreign policy. The AICC would like to remind the people of the country that it was the letter of June 2003 of the Congress President to the then-Prime Minister Shri Atal Bihari Vajpayee that stalled the dispatch of Indian troops to Iraq when the BJP-led NDA government had all but decided to do so. No country has suffered as much from terrorism as India has over the past two decades and a half and no country has a great stake in the elimination of terrorism as India has.
37. The AICC wants to put on record that from August 15, 1947 it was the Congress leadership that put in place a foreign policy of peace, non-alignment and autonomous choice, based wholly on national self-interest, expanding India's strategic autonomy and capability. This has been the guiding principle for the Congress-led UPA government. In an international situation marked by simultaneous competition and cooperation among the major powers, and of unprecedented interdependence created by globalization, representing both a threat and an opportunity for developing countries, the government led by the Congress Party has steadily improved India's relations with all important countries and has reinforced our country's distinctive position in world affairs, a position that goes back to the days of Gandhiji and Jawaharlal Nehru. The Congress Party needs no lessons from anyone in pursuing India's independent foreign policy.



067. Press Conference of Prime Minister on board the special flight enroute to Singapore.

November 20, 2007.

Q-1. On Free Trade Agreement

Well, there are some problems in giving final shape to the Free Trade Agreement with the ASEAN countries. These essentially involve the extent of concessions we can give on some sensitive products. We hope to can sort these out.

Q-2. On Myanmar

Ans - Myanmar is our neighbour, what goes on there has an important bearing on our own country as a number of insurgent groups take advantage of the instability in Myanmar to indulge in unlawful activities in our North East. Therefore we have a strong interest in a stable, prosperous and peaceful Myanmar. We have supported the role of the United Nations in bringing about a national reconciliation between the Government of Myanmar and Ms. Suu Ki. And I sincerely hope that that dialogue which is progressing will yield a satisfactory outcome.

Q-3. “Look East Policy” and FDI in North East

Well, this is an ongoing process. We need more foreign direct investment, not only in the North East but also in other parts of the country, wherever there are opportunities of attracting foreign direct investment on terms and conditions which suit us. We will make India an attractive proposition for foreign direct investment.

Q-4. On the delay in concluding the Nuclear Agreement

There has been some delay – I can't deny it. But I still hope that the process of bringing about a viable national consensus will yield results. So I have not given up hope that we can reach a final satisfactory outcome.

Q-5. On meetings with Presidents of Malaysia and Indonesia at ASEAN summit

We will discuss all bilateral issues. I can't tell you right now what we will discuss. All relevant bilateral issues are raised in these meetings. I have an opportunity to meet our colleagues from ASEAN once a year. I find that

it is a fruitful way of interacting with our neighbours. Bilateral trade and trade with ASEAN is of prime importance to us. I will discuss these issues.

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Q-8. On FTA.

I mentioned already , with regard to some sensitive agricultural products we have some demands that are being made that can adversely affect our subsistence farmers and certain crops. We are trying to persuade our ASEAN friends. I am hopeful that the process will reach a satisfactory outcome.

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Q-10. ASEAN + 3 to ASEAN + 6 ?

Ans – We would like ASEAN plus 6 that is the East Asia summit Well we have had two successful summits in the past and this is the third summit. We would like the process to gather momentum.

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Q-12. Are you hopeful that the nuclear safeguards agreement will be brought to the UPA coordination committee this year.

Ans - Well I hope as soon as possible. The negotiations are going to begin with the International Atomic Energy Agency. I hope they can be brought to a successful conclusion. We will bring them back to the Left –UPA coordination committee.

Q-13. No finalization of deal with Russia on nuclear reactors?

Ans – Well let me say that what is stated in some newspapers is not the truth. We have entered into an MOU with Russia on Koodankulam for additional reactors. But it has been made known to us that that agreement can be operationalised only if we have any India specific safeguards agreement with the international atomic energy agency. And also if the Nuclear Suppliers Group gives India the exception form their respective guidelines. So therefore since there has been some hitch in finalizing the India safeguards agreement with the IAEA and we are yet to go the NSG so it was felt that it will be premature to sign an agreement which we cannot operationalize. We have been discussing with Russia and it is agreed that these four reactors will be installed as soon as we have an India specific

safeguards agreement and as soon as the NSG says okay. ***Intervening question*** – so the 123 agreement and the Russian deal are linked. Well it has always been understood as such by us as well as the Russians.

Q-14. On Pakistan

Well I don't like to comment on the internal affairs of Pakistan. I have said on more than one occasion that the destinies of our two countries are interlinked. A prosperous, stable, peaceful and democratic Pakistan is in our interest. I sincerely hope the difficulties through which Pakistan is passing are resolved and they find pragmatic, practical and effective means of solving their problems.

Q-15. Russian N Deal

Ans - Well, I discussed this matter with President Putin now and in the last two years. Russia has been very very supportive of India. They are supportive of India in dealing with the IAEA and also we have the assurances of their support when the matter goes before the NSG.

Q-16. On China's support at NSG.

Ans –Well, I think the Chinese have not said that they would not support us.

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Q-18. On road link with South East Asia

Ans - It is not a unilateral process, We need their help, for example the road will have to pass through Myanmar. We need the consent of the government, we need more stable conditions. I sincerely hope that we can work together with all relevant authorities to expedite the work.

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068. Remarks by Prime Minister at the Asian Civilisations Museum Exhibition “On the Nalanda Trail: Buddhism in India, China and Southeast Asia”.

Singapore, November 21, 2007.

Excellencies, Ladies & Gentlemen,

I am very pleased to join my distinguished colleague and good friend, the Prime Minister of Singapore, in welcoming you to this extraordinary exhibition on Nalanda.

I extend a special welcome to the leaders of the European Union present here. We seek your support in making the initiative on Nalanda a success.

The Nalanda University was a part of the intellectual life of Asia for over seven centuries. It was one of the first great Universities in recorded history, and one of the world's first residential universities. The university was an architectural masterpiece, attracting students from China, Japan, Korea, Persia and Turkey.

Through the exchange of scholars and the spread of ideas, the University made an invaluable contribution to international understanding.

Earlier today, we have discussed our collective efforts to revive the Nalanda University as a centre of cross-cultural understanding and learning. There is much we can learn from each other.

We recognize the contribution of the Mentor Group, whose recommendations provide a roadmap to recreating a unique international institution and preserving a common cultural heritage.

Nalanda will focus on becoming a centre for excellence for research and teaching with an emphasis on postgraduate studies. It will have departments for philosophy and Buddhist studies, regional history, business and management studies, international relations and peace studies and study of languages. It will be established as an international university through an international treaty.

This Exhibition has recreated the spiritual and physical splendour of Nalanda. It comprises 116 of the most precious art objects from four prestigious Museums in India, which have been specially sent to Singapore. The artifacts include rare paintings and bronze and stone sculptures. There are great

masterpieces like the Nalanda Copper Plate, depicting the royal patronage to the Nalanda University, and the Sacred Relics of the Buddha himself.

The Exhibition covers all the eight important events of Buddha's life, which relate to the eight important Buddhist pilgrimage sites in India. By doing so, it brings to life Buddha's message of compassion, tolerance and contentment. It is a poignant reminder of the rich cultural heritage of our region.

The Exhibition truly brings a very memorable day to a most appropriate conclusion.

The Third East Asia Summit has emerged as an important forum for dialogue on issues of common interest and concern. The EAS process is an ideal vehicle for promoting peace, stability and economic prosperity in East Asia. The promotion of greater people-to-people contacts and cultural understanding is one of its important objectives. This Exhibition will go a long way in achieving this goal.

I would like to convey our sincere gratitude to the Government of Singapore for seeking to recapture the spirit of Nalanda, and the Asian Civilisations Museum for making it a reality.

Thank you.



069. Inaugural address by Vice President M. Hamid Ansari at the Third International Congress of the Asian Political and International Studies Association at Academic Research Centre, University of Delhi.

Delhi, November 23, 2007.

Vice Chancellor,

Professor Neera Chandhoke,

Distinguished participants in the Third Congress of the Asian Political and International Studies Association,

Ladies and gentlemen,

I confess I did not understand until quite recently the import of the adage 'accept in haste, repent at leisure'. The point was driven home to me when, some weeks after having accepted Professor Chandhoke's invitation, I started thinking about the implications of the commitment and was gripped with trepidation at the prospect of standing before an audience of distinguished political scientists to expose the inadequacy of my thought process on so weighty a subject.

Having unburdened my conscience, let me thank the organisers of the 3rd Congress of APISA for conferring on me the privilege of inaugurating your conference. I am happy to do so, confident in the knowledge that your deliberations would clarify and amplify concepts and further understanding on a subject of crucial relevance to social well being.

I notice that since its inception, your Association has structured its work on the specific theme of Asia in New Millennium. This makes sense since yours is an ASIAN association and rightly retains the focus on Asia, more so because the misfortunes of Asian history for a few centuries not only subjected it to colonial and neo-colonial domination but also ensured intellectual subordination by making the world Euro-centric. Terms like the Near East, Middle East and Far East entered the political vocabulary and Orientalism became an intellectual industry.

The focus on Asia has helped APISA explore specific areas of the Asian experience. The 1st Congress dwelt on development, democracy and security. The 2nd Congress focused on aspects of governance. The theme of this 3rd Congress is Asian concepts of justice.

I am, I confess, enthused by the theme and intrigued by it. The concept of justice is integral to social well being; for this reason, it must be reiterated on every possible opportunity. It is also in the category of universal values, rather than location-specific. Talk of an Asian concept may, therefore, convey an impression that there is something specific by way of a value addition or value subtraction. This, presumably, is not intended.

The primacy of Asia in terms of religious or ethical traditions is a matter of recorded history. Virtually all the world religions - Hinduism, Judaism, Zoroastrianism, Confucianism, Buddhism, Christianity, Shinto, Jainism, Islam and Sikhism - emanated in Asian lands. Each has an ethical system and thus an approach to the concept of justice. Even if we take Toynbee's categorisation of twenty one societies for his comparative study of civilisations, we find a majority of them emerging from Asia.

Let us take a closer look into the subject matter. The human being is a social animal. Living in society necessitates social arrangements that determine the division of responsibilities and ascribe rights and duties. Such an allocation is made on a basis that is broadly acceptable; this is considered the principle of social justice. In ancient Greece, Plato set out to enquire into the nature of justice and injustice and found justice to be the bond that holds society together. Aristotle amplified it in a statement of universal validity: "justice is the bond of men in states, and the administration of justice, which is the determination of what is just, is the principle of order in political society". Devoting a whole section of Nicomachean Ethics to it, he defined just behaviour as "a mean between doing injustice and suffering it".

The critical question for Aristotle, and for every society in history, was the determination of what is considered just – its median and its extremities. Plato concluded that justice is a public and private virtue, "best for the soul" irrespective of the rewards that may accrue "both in life and after death".

The quest for the nature of justice, however, was much older. The Indic world considered justice as synonymous with righteousness. In Mahabharata the sage Vamadeva stresses the need to act righteously: "There is nothing superior to righteousness. Those kings that are observant of righteousness succeed...That king who disregards righteousness and desires to act with brute force, soon falls away from righteousness and loses both Righteousness and Profit". In practical statecraft, Kautilya, in the second century A.D., could prescribe dispensation of justice as the duty of the King, adding that this was to be undertaken on the basis of Dharma, Evidence, Custom, and Royal Edicts. In this framework, ethical

value is attached to Dharma which is based on truth; its observance, said Kautilya, leads to eternal bliss and its transgression to chaos.

Instances of considering justice as a religio-ethical notion, elsewhere in Asia and in different epochs, can be multiplied. The Muslim approach, for instance, was no different. The Qur'anic injunction "judge with justice" led to the conclusion that injustice is transgression. It is the counterweight to arrogance. Justice, said a medieval jurist, is the maintenance of the mean or of the just middle. It introduces, in Aziz Al-Azmeh's words, the notion of normative equity "not of equality or equivalence but of optimal proportionality among the unequal and uneven components of a composite".

II

Inherited tradition is one thing, albeit relevant and important. In the context of the contemporary world, however, it confronts three questions:

- To what extent has it been transmitted to modern societies in Asia and translated into state practice in a secular paradigm?
- How far does it conform to the global norms that have emerged in our times?
- To what extent have the new global norms been imbibed in Asian societies?

On a theoretical plane, and given the differences over the ultimate nature of good and bad in politics, a rational and practical basis for what is just needed to be worked out. The position was stated by the philosopher John Rawls:

"The unity of society and the allegiance of its citizens to their common institutions rests not on their espousing one rational conception of the good, but on an agreement as to what is just for free and equal moral persons with different and opposing conceptions of the good".

Dwelling on the role of justice in social cooperation, Rawls argued that "justice is the first virtue of social institutions" that take "the liberties of equal citizenship as settled"; as a result, "the rights secured by justice are not subject to political bargaining or to the calculus of social interests".

The modern concept of justice received international recognition in the Universal Declaration of Human Rights of 1948. It proclaimed "a common standard of achievement for all peoples and all nations", asserted equality before the law and equal protection of the law. These were amplified in the

International Covenant on Civil and Political Rights and other international documents.

Any analysis of contemporary Asia, devoid of its modern history, would be partial and inadequate. The year 1498 marked the coming of the Portuguese. An Asian awareness of that seminal event was slow in coming. The new comer, however, realised it comprehensively and formalised it by an addition to the titles of the King of Portugal: “Lords of the Conquest, Navigation and Commerce, of India, Ethiopia, Arabia and Persia”. Other conquerors followed and had different patterns of influence. All had a profound impact on the inner structures of Asian societies and upset the equilibrium of pre-modern institutions. Assessing the longer term impact of European imperialism, the historian K.M. Panikkar concluded that “the first and perhaps the most abiding influence is in the sphere of law. In all Asian countries the legal systems have been fundamentally changed and reorganised”. This process involved a re-look at the principles of governance and a re-arrangement of institutional arrangements to give shape to them.

The most visible evidence of this was in India. In a book published in 1951 Sir Earnest Barker reproduced on its first page the Preamble of the Constitution of India and explained his reasons for doing so. “I am proud”, he wrote, “that the people of India begin their independent life by subscribing to the principles of a political tradition which we in the West call Western, but which is now more than Western”.

The ambit of the Preamble is comprehensive and interlinked. It is reflective of the sovereign will of a people to acquire for themselves the virtues in totality of justice, liberty, equality and fraternity. The operative line, for our argument today, is the commitment to secure to all its citizens Justice, social, economic and political. This expression has been the subject of commentary and judicial interpretations. One knowledgeable commentator expressed it succinctly:

“The expression ‘social and economic justice’ involves the concept of ‘distributive justice’ which connotes the removal of economic inequalities and rectifying the injustice resulting from dealings and transactions between unequals in society...the ideal of economic justice is to make equality of status meaningful and life worth living removing inequality of opportunity and of status – social, economic and political”.

He argues that the doctrine of equality embodied in Arts. 14 to 18 of Part III

(Fundamental Rights) is to be understood in the light of social justice assured by the relevant Articles of Part IV of the Constitution. On this basis, therefore, social justice is a fundamental right.

It can be said, with some justice, that six decades of independent India have been a journey to actualise the concept of social justice visualised in the Constitution. In the process, content has been added and the concept amplified. The debate is premised on contemporary, secular, norms of inclusive justice and does not seek sustenance from traditional concepts rooted in religion or tradition. While much has been done, the task as yet remains unfinished.

III

So much for the 'Plural Conception of Justice' and 'Social Justice'. But what about the issue of Transnational Justice – the third theme of this Congress. Because of associations rooted in history and culture, reinforced by the shared experience of colonial domination, the thought of an Asian dimension to the nationalist awareness of emerging India was not a strange one. An expression of it was the Asian Relations Conference of March-April 1947. A sense of Asian-ness emerged in India and, possibly, in other Asian lands. In 1997, the golden jubilee of that historic gathering was celebrated by convening another conference. At the end of it the delegates felt that "unless there is political and social understanding, economic cooperation is difficult to achieve and, for the attainment of the objectives of freedom, equality and justice a new international system characterised by an absence of want, fear and all forms of intolerance and based on peace, justice, equality and respect for freedom of all is essential".

The association of expressions 'freedom', 'equality' and 'justice' with the quest for a new international system is indicative both of a lacunae and of a desire to fill it in terms of the international system. Does this suggest an acceptance of universal norms in these matters? If so, has the theoretical framework for it been put into place? How far have individual Asian societies moved on the road to implementation of these norms. There are many in this audience who are in a position to answer these questions in generic and specific terms.

There is one other aspect of the matter. In Asia, there is a justifiable frustration about selective application of the existing modes of transnational justice. The provisions for robust international intervention in conflict situations in Asia are unevenly applied. In today's age of globalisation,

domestic conceptions of justice as applied in democracies of the West must find application in the larger international arena. There can be no apartheid in the application of justice.

The matter goes beyond the realm of political theory. For several centuries, the history of the world was also the history of the suppression and domination of Asian lands. The termination of that process, in the middle of the 20th century, was the first step in the correction of that historical distortion; much more, however, needs to be done to prepare Asian lands to take their rightful place in the comity of nations and contribute in full measure to the development of a world that eschews the doctrines of dominance and, instead, tries to live by principles of cooperation. Economics is one aspect of the matter: Asia's share of global trade climbed from 16 percent in 1980 to 27 percent in 2003 and economists predict that Asia would provide the growth engine to world trade. They also opine that this would necessitate greater importance being given to corporate governance.

However, can good governance be selective and confined to sectors of human activity? Also, can governance be good without conceptual clarity about what is good? Is it possible, over a longer term, to govern the business sector on norms of fair play and mutual advantage while denying it to all segments of society that contribute to economic activity?

Whichever we look at it, selective good and selective justice is a recipe for trouble. A conceptual framework for justice, therefore, has practical implications and can only be viable if it is inclusive – at the societal, national and international levels. Asian societies, drawing upon their extensive heritage, undoubtedly would come to this conclusion and conceptualise it appropriately.

I wish the Congress success in its endeavours.



070. Inaugural Address by External Affairs Minister Pranab Mukherjee at the valedictory function of the International Conference of Forum of Scientists from South and South-East Asia.

New Delhi, November 29, 2007.

His Excellency Dr. A.R. Kidwai, Governor of Haryana,
Mr. Koichiro Matsuura, Director General of UNESCO,
Excellencies, Distinguished Guests, Ladies and Gentlemen,

I am delighted to be here today to address this distinguished gathering of scientists, technologists, educationists and policy makers of South and South-East Asia. Please allow me to begin by thanking Dr. A.R. Kidwai for this timely initiative on capacity building in science and technology.

I am happy to see that this Conference is being attended by distinguished participants from India and our Asian neighbours. I am sure this would have provided you all with an excellent opportunity to share regional concerns, experiences and future plans for the integrated development of the South East Asian region in the field of science and technology.

More than half a century ago, Pandit Jawaharlal Nehru saw India as being the pivot around which issues relating to the economic development in South East Asia would have to be considered. India's "**Look East policy**", which we are pursuing vigorously in the Ministry of External Affairs, is not merely an external economic policy but is also a strategic shift in India's vision of the world and its place in the evolving global economy. It is a concerted effort to reach out to our civilisational neighbours in the region who, by emerging as regional economic power houses, have placed before us a model worthy of emulation. Therefore this Conference, which has brought together the scientists, technologists, educationists and policy makers of this region, is of great interest to me.

Excellencies, Distinguished Guests,

India has a long and glorious tradition of scientific thought and technological innovation. **Aryabhatta's** contribution to the field of astronomy and *Heliocentric theory of gravitation* in the 5th Century, **Varahamihira's** expansion of the theory of gravity followed by **Brahmagupta's** contribution to the concept of *ēzeroī* and *decimal system*, which were later perfected

by Arab mathematicians, gave the world its current system of enumeration which we call the Arab numerals and which were originally the Indian numerals. It is reported that way back in 1660-70, India exported *iWootzís steeli* made in **Deccan** to Western Europe for making the famed *Damascus swords*.

In the modern India, we are proud of the achievements of our IT industry, space research organizations and our national laboratories. Indian Industry has shown great enterprise in reaching new heights in bio-technology and medicine. We have a fast growing and resilient manufacturing sector which is competing with the best in the world.

Excellencies, Distinguished Guests,

Science and technology are no longer specialized enterprises confined to laboratories and factories. They have become intertwined with each other and with human society. I have followed with interest the long standing debate between the “**curiosity driven basic research**” and the “**targeted research**” specifically designed to produce a desired product. [*Here I am referring to an article by Jerome Kerle, 1985 Nobel Laureate in Chemistry.*] While there is no denying the fact that fundamental research provides the fertile ground for a rich technology harvest, it is equally true that the policy makers have to think of directing research and development to priority areas, national competitiveness and strategic goals. We do recognize the uncertainties in the process that starts with basic research and may or may not lead to economically successful technologies. In science and technology it is not possible to talk of time frames but history has shown that focused basic research leads to development of products and services, sometimes unintended ones, which benefit the masses. While the “**curiosity driven basic research**” must keep on receiving our support, I would like to urge upon our scientists and technologists to innovate and develop technologies that will improve the quality of life of our people. As we move ahead on a growth trajectory of 9% GDP growth per year, it is essential for us to ensure that the fruits of this growth reach our billion plus population.

Excellencies, Distinguished Guests,

On-going processes of globalization of world economy and integration of markets have led to organized effort on the part of scientists, technologists and other members of the knowledge society to mobilize their efforts to accelerate the pace of development. We must integrate scientific development and sustainable growth and foster scientific temper among the people. Our economic and social programmes must move in tandem with R&D activities in science to provide our people with the wherewithal to fulfill their aspirations for

a richer life and help us achieve the millennium development goals.

The progress of any nation today depends greatly on the quality of its human resources. Our huge reservoir of highly skilled and well trained scientific and technical manpower is now spread all over the world. To extend the reach of higher education, India has and is in the process of establishing more educational and training facilities, at a level commensurate with the best international standards. We seek to further promote this by inculcation of scientific temperament through school curricula and development of new age skills.

Excellencies, Distinguished Guests,

We live today in an increasingly interdependent world. International cooperation in science and technology offers exciting opportunities in this globalised world. We need coordinated international efforts to address common technological issues. It is imperative for nations to join hands to establish large-scale scientific projects, both to share costs and to benefit from their combined pool of expertise.

Over the years, India has developed much expertise in science and technology. We are very happy to share this expertise with other developing countries for mutual benefit. We are increasing our linkages with the developing world through cooperation and networking and through forging new collaborative programmes and research links.

The important themes to be addressed by the scientific community in our region are **sustainable development, adaptation to climate changes, bridging the digital divide, cost effective uses of renewable energy, water conservation, environmental preservation and judicious use of non-renewable sources of energy**. Science foundations and non-profit organizations involved in these efforts can be of great help in realizing the capacity building initiatives.

Excellencies, Distinguished Guests,

The 21st Century is going to be a '**Knowledge Century**'. For this we must support the co-evolution of science and technology with the society and develop our scientific resource base and capabilities. This Conference, I am sure, will act as a catalyst to take this process forward.

I look forward to receiving the recommendations of this Conference.

Thank you



071. Inaugural Address by External Affairs Minister Pranab Mukherjee at the Sustainability Summit: Asia 2007.

New Delhi, December 11, 2007.

Mr. Y. C. Deveshwar, Chairman of the Sustainability Summit,

Dr. Ashok Khosla, Co-Chairman of the Sustainability Summit,

His Excellency, John McCarthy, High Commissioner, Australia Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to be here today to inaugurate the 2nd Sustainability Summit with its focus on **'Partnerships for Action'**.

The theme of the Summit is testimony to the commitment of the participants gathered here and the organizers to harness the energies of key stakeholders to make growth inclusive and sustainable. This also reflects the growing recognition that the social and environmental challenges facing us in the 21st century are so complex and so multi-dimensional that they can only be solved if government, NGOs and industry work together effectively. Increasingly our combined efforts and resources have to channelised to not only preserve but refresh our eco-system.

Sustainable development is now an accepted term in our lexicon. However, it has meant different things to different people. There are many who think sustainable development is synonymous with environmental protection. This is of course only a third of the truth. Equally important are the pillars of economic and social development.

Ladies and Gentlemen,

The concept of sustainable development was first mooted in the 1980s and then embedded into our collective consciousness at the Rio Summit of 1992. While its origins are in the concept of environment protection, sustainable development encompasses within itself a much wider gamut of issues. The World Summit 2005, highlighted the interdependent and mutually reinforcing pillars of sustainable development which are economic development, social development, and environmental protection. In that sense the concept of sustainable development pervades almost all aspects of our life including the future.

India's approach to the challenge of the protection of our environment was shaped by the perceptive observations of **Prime Minister Indira Gandhi**, who told the United Nations Conference on the Human Environment in 1972 that "**poverty was the worst polluter**". In saying so, Indiraji launched a global debate on the relationship between poverty alleviation, economic growth, and environmental conservation. In the years since then, an organized structure of multilateral agreements and institutions for realizing the goal of sustainable development has been developed.

Ladies and Gentlemen,

The World Summit on Sustainable Development held at Johannesburg in 2002 had clearly reaffirmed that addressing poverty was central to the efforts of developing countries in achieving sustainable development. India is a developing country and our overriding priorities are poverty eradication and rapid and inclusive economic development. For us, the concept of sustainable development must include the needs of our people for health, nutrition, education and housing so as to provide to all a life of dignity in a clean, safe and healthy environment. The "**development**" dimension of the concept of "**sustainable development**" is, therefore, **critical**. In fact, we should be clear that without development there can be no sustainable environmental protection.

The Government of India adopted the **National Environmental Policy in 2006**. It aims at creating an enabling domestic environment for sustainable development. This policy recognizes that human beings are at the centre of sustainable development and emphasizes that the right to development must equitably meet the developmental and environmental needs of present and future generations. Its dominant theme is that while we must conserve environmental resources to secure livelihoods, the most effective way of doing this is **to ensure that people benefit more from conservation than from resource degradation**.

Ladies and Gentlemen,

To sustain our projected GDP growth rate of 9%, we require more energy. Over 50% of our population, more than 500 million people, does not have access to electricity. The per-capita energy consumption is less than a third of the global average. For developing countries like us, a rapid increase in energy use per capita is imperative to realize our national development goals and the internationally agreed Millennium Development Goals.

India is not a significant contributor to Green House Gases (GHG) emissions

nor will it be so in the foreseeable future. Currently, India's per capita GHG emissions are around a quarter of the global average. In aggregate terms, India with 17% of the World population has only 4% of global GHG emissions. Our energy intensity levels are also on par with most developed countries and have improved considerably over time. More-so, while economic growth over the last five years has been around 9%, commercial energy consumption has only grown by under 4%. **We are also determined that, even as we pursue economic growth, our per capita GHG missions will not increase beyond those of industrialized countries.**

Ladies & Gentlemen,

We are facing today an unprecedented challenge in ensuring the energy security of our nation. Oil prices have touched USD 100 a barrel and indications are that it will further increase.

Our efforts at both energy security and sustainable development mean that we require the necessary policy space to address our energy needs in line with our resource endowments and national priorities. Demand side management, through targeted programmes, has brought to global levels, energy efficiency in India in a number of major energy intensive sectors – steel, aluminium, fertilizer, paper and cement. An Energy Efficiency Code for Buildings has been released for new commercial buildings and energy audit is being actively promoted.

We must have the option and the ability to tap all significant energy sources – whether conventional or advanced fossil fuels based, or renewables. With about 7,000 MW of installed wind-power, we now have the fourth highest wind capacity in the world. We are intensifying our efforts to enhance the use of solar energy and bio-fuels. We are also working to increase significantly the share of civil nuclear power in our energy mix. You all are well aware of the strong efforts being made by our government in this regard.

Even as we pursue our goal of harnessing nuclear and other forms of energy, we should not forget that much of India still relies on traditional biomass for their energy needs. There is an urgent need today to have greater R&D focusing on resource endowments of developing countries and transfer of advanced clean technologies to developing countries in a cost effective manner. Many existing critical technologies have also been out of reach of developing countries because of prohibitive cost, due largely to the existing IPRs regime, and technology denial regimes. These issues need to be addressed urgently.

Our international interlocutors tell us that under the existing IPRs regime, the private sector has legal rights over such technologies and so governments cannot do anything about it. We need, however, to bear in mind that all IPRs regimes are the realization of tradeoffs between providing incentives to the innovator, and imperatives of wider human society. We need to address the IPRs regime to ensure that technologies, which are necessary for pursuing the global goal of sustainable development, are available to developing countries. Collaborative R&D between industrialized and developing countries with sharing of the resulting IPRs, between institutions can help us achieve this.

Ladies & Gentlemen,

Even as we stand here discussing sustainable development, there is a major conference going on in Bali, Indonesia, on climate change. We are extremely concerned about climate change as all indications point to the fact that developing countries would bear a disproportionately severe impact of its adverse effects even though responsibility lies with those countries which have been polluting since industrialization. We have made it clear that in accordance with the principle of common but differentiated responsibility we expect the developed countries to commit themselves to significant binding emissions reductions. We have also made it clear that the need of the hour for developing countries is adapting to the inevitability of climate change. For that we need to have the necessary financial and technological wherewithal. And as we have always maintained, development would give us the necessary capability for adaptation.

Recognising the common threat of climate change to our region, only a few days ago on 7th December, in the 29th meeting of the SAARC Council of Ministers, we adopted the SAARC Declaration on Climate Change. SAARC believes that the way forward must include:

- Adequate resources to tackle climate change without detracting from development funds.
- Effective access to and funding assistance for the transfer of environment-friendly technologies and for adaptation.
- Binding GHG emission reduction commitments by developed countries with effective timeframes.
- Equitable burden-sharing.

Ladies and Gentlemen,

Sustainable development requires sustainable patterns of production and consumption. We need to understand that for our efforts at environmental protection to really succeed, we must address the issue of unsustainable patterns of production and consumption, including lifestyles. In-fact, the core issue has to be to influence personal activities and choices to a more sustainable pattern, and the willingness of individuals and Governments to exercise preferences to a more sustainable consumption pattern especially in the developed countries.

The Indian development canvas is garangutan. We are acutely aware that the achievement of objectives will require tremendous efforts for resource mobilization, investment in infrastructure, improved allocative efficiency of resources, investment in social sectors and people's participation. These challenges call for an enabling framework for sustainable development to be in place which is provided by our system of democratic governance, with an active civil society and media. This also includes devolution of power to states and local bodies and ensuring people's participation in decision making. This structure makes for a compact between the state and the people constituting the most enduring partnership for sustainable development.

Ladies and Gentlemen,

I have great pleasure in inaugurating the 2nd Sustainability Summit. I wish the deliberations all success. I am sure the outcome of your discussion will be of great interest to policy makers.

Thank you.



072. Address of Minister of Science & Technology and Earth Sciences Kapil Sibal at the 13th Conference of Parties of the United Nations Framework Convention on Climate Change.

Bali (Indonesia), December 12, 2007.

Mr. President

Excellencies

Distinguished Delegates

Ladies & Gentlemen,

Please allow me to begin by expressing our deep appreciation for you Mr. President and to the Government of Indonesia for hosting this meeting, the excellent arrangements and your warm hospitality. We are also delighted to be in Bali with its strong civilizational links with India.

Mr. President,

Let me also congratulate you on having successfully steered this Conference towards the operationalization of the Adaptation Fund. Forestry issues have also moved forward under your leadership and we hope that the draft decision will be adopted.

Mr. President,

We know that the impact of climate change on India will be very serious. The frequency of extreme weather events leading to natural disasters may increase. We may face multiple risks resulting from rise in sea-levels, problems with water availability, recession of Himalayan glaciers, food security and public health. To coordinate national action on climate change at the highest level, we have set up a Council on Climate Change chaired by the Prime Minister himself.

Mr. President,

The disproportionate impact of climate change will fall on the developing world given our vulnerabilities, inadequate means and limited capacities to adapt to its effects.

Developing countries must equip themselves to develop capacities to

become climate resilient. For this, we require technology solutions and financial resources at an accelerated rate to cope with and adapt to the inevitability of increased global warming in the coming decades.

Estimates of adaptation costs for developing countries run into several tens of billions of US Dollars on an annual basis. I hope that there is clear recognition by all concerned that these have to be met through “new and additional” monies and not by re-appropriation of funds meant for development.

Resource mobilization of this magnitude requires that we tap all possible sources, including the carbon market and make full use of the potential from all the Kyoto flexibility mechanisms.

Mr. President,

300 million people live in India on less than US\$ 1 a day. We need to improve their quality of life and we need to do that urgently. To stagger and slow down the pace of improving human development for those living with such limited pecuniary means is unacceptable; and energy is the *sine qua non* to development.

600 million people in India do not have access to electricity. We have no choice but to rapidly expand energy use to realize our national development goals and the Millennium Development Goals.

Our per capita emission of CO₂ is amongst the lowest in the world at around 1 ton per annum as against a world average of 4 tons. Nevertheless we have been taking measures that inherently promote sustainable development.

This includes a National Environment Policy, an Energy Conservation Act and a new Electricity Act that mandates the procurement of electricity from renewables. We now have the fourth largest wind power capacity in the world.

We also understand the importance of carbon sinks and, in addition to protecting our existing forest cover from deforestation through a national law, we are launching the world’s largest afforestation project covering six million hectares of degraded forest land at a cost of over US\$ 1.5 billion.

Our Bureau of Energy Efficiency is continuously engaged in adopting and implementing policies and measures on energy efficiency and energy conservation. An energy efficiency code for new buildings has been issued.

Standards and labeling are being introduced in a major way along with energy audits. Targeted interventions have raised energy efficiency in all the major energy intensive sectors – steel, aluminum, fertilizer, paper and cement – to world levels. We are also working on making available Compact Fluorescent Lamps at affordable prices to all.

Mr. President,

Technology is a key enabler in our efforts to tackle climate change. It is imperative that international efforts significantly enhance availability of cost effective advanced clean technologies to developing countries many of which rely on fossil fuels as a major source of energy.

The IPR regime must balance rewards for innovators with the common good of humankind. Standards and norms must reflect the development levels of where they are being deployed.

It is, therefore, good that at Bali we have brought technology transfer on the agenda for implementation. Mere discussion is not enough. We need to reach decisions. Absence of decisions only reinforces the perception that there is lack of will on the part of the developed countries to fulfill their commitments. We need to reach consensus on technology transfer and capacity-building – two issues that are really central to the global response to climate change.

On our part, we would be happy to share with our friends in the developing world, the S&T expertise and capacities that India has built over the years.

Mr. President,

At the G8 Summit in Heiligendamm, our Prime Minister offered that India's per-capita GHG emissions would at no stage exceed the per capita GHG emissions of developed countries even as we pursue our economic development.

The Earth's atmosphere is a common resource. Yet more than three-fourths of the present stock of CO₂ has been emitted by developed countries, which account for less than 20% of the world's population. According to the recent UNDP Human Development Report, historical emissions account for 1100 tons of CO₂ per-capita for some developed countries as compared to 23 tons for India. It is absolutely imperative that this excessive usage ends and we move to a paradigm of equal per-capita entitlements.

Developed countries have committed to take the lead in reducing GHG emissions. Yet, the figures tell a very different story. Since 2000 emissions

of all Annex I Parties have increased in aggregate by 2.6%. And, if EIT countries are excluded, the rise since 1990 has been 11%.

Moreover, with a single exception, no Annex I Party has given any indication of the range by which they would reduce their emissions in the second commitment period under the Kyoto Protocol. This must change.

We are concerned at the attempts to create a new framework, which may result in the dilution of specific and time bound commitments on emission reductions by developed countries. This should not be allowed to happen. Any such dilution would have disastrous and irreversible consequences for future generations. We must not fail their trust.

Mr. President,

Bali needs to send out strong messages. Without doubt the most important one should be that the negotiations under the Kyoto Protocol for quantified, time bound and substantial GHG reductions by developed countries post 2012 will be completed by 2009.

This is also the only way to deliver on the Fourth Assessment Report of the IPCC. We acknowledge the selfless contribution made by the global scientific community for its preparation, for which it has been fittingly recognized with the Nobel Peace Prize.

Bali must also focus on urgent action for enhanced implementation of the Convention. Adaptation and technology cooperation, forestry issues including afforestation, sustainable lifestyle patterns, sustainable consumption levels and financial arrangements are key: only then will we fully address the issues of global warming.

As a responsible member of the global community, in accordance with the principle of common but differentiated responsibilities, we would do all that we can for pragmatic, practical solutions, which are for the benefit of all.

Mr. President,

Let me conclude by saying that our efforts in the UNFCCC and Kyoto Protocol must move in a decisive manner for enhancing their implementation. That should be the singular message from Bali. Then alone will the journey to Poland and Denmark be truly fruitful.

Thank you.



073. Briefing Points by Official Spokesperson on the meeting of the Consultative Committee of Parliament on External Affairs.

New Delhi, December 12, 2007.

- The External Affairs Minister, Shri Pranab Mukherjee, chaired the meeting of the Consultative Committee on External Affairs held today. Continuing the discussion on the subjects of “Progress under SAARC” and “India’s partnership with African countries” from the previous meeting of July 18, 2007, the Committee also covered the issue of India’s bilateral relations with the West Asian countries.
- As part of his opening statement, External Affairs Minister briefed the Members on India’s close interaction with West Asian countries. He emphasized that India’s engagements with these countries in the political, economic, cultural and other fields has grown considerably and West Asia has emerged as an important region whose stability and security has a direct relevance for India.
- On the Palestine issue, EAM stated that India supports a negotiated solution resulting in a sovereign, independent, viable and united State of Palestine within secure and recognized borders living side by side at peace with Israel as endorsed in the Roadmap and UNSC Resolutions 1397 & 1515. India has supported the Quartet Roadmap of 2003 and the Arab Peace Initiative, resumption of dialogue on Israel-Lebanon and Israel-Syria Tracks and believes that these have to be addressed in efforts to establish comprehensive and durable peace in the region.
- India’s support to the Palestinian cause has not wavered. India recognized the PLO as a representative of the Palestinian people in 1975 and was one of the first countries to recognize the State of Palestine in 1988.
- EAM also touched upon the significant humanitarian contribution that India has made to the Palestinian people who are coping with multiple challenges. Together with the Palestine National Authority, India is working on several development projects, including a cardiac hospital in Gaza, a school in Abu Dis and an IT Centre at the Al Quds University. India has also rushed life-saving drugs for Palestinian civilians affected by the conflict. In consultation with the Lebanese

government, India is working to assist the Palestinian refugees at the Nahr al -Bared Camp in North Lebanon.

- EAM informed the Members that India was invited to attend the Middle East Peace Conference in Annapolis held on 27th November. In its statement at the Conference, India applauded the Joint Understanding reached by the President of Palestine Mr. Mahmoud Abbas and Prime Minister of Israel Mr. Ehud Olmert to launch vigorous, ongoing and continuing bilateral negotiations over the coming weeks and months to arrive at a negotiated solution of the core issues that will lead to the establishment of an independent, democratic and viable Palestinian State, living side by side in mutual peace and prosperity with the State of Israel.
- EAM in his statement also briefed the Members on India's bilateral relations with other countries in the region like Israel, Egypt and Jordan.
- EAM also informed the Members that Shri E. Ahamed, Minister of State for External Affairs would attend the International Donors Conference for Palestine being held in Paris on December 17.



074. Inaugural Address by Foreign Secretary Shivshankar Menon on Foreign Policy Dialogue with International Institute for Strategic Studies, London.

New Delhi, December 13, 2007.

Dr. Patrick Cronin,

Ladies and Gentlemen,

I am delighted to inaugurate this foreign policy dialogue with the International Institute of Strategic Studies London, which was initiated earlier this year. The IISS has played a significant role in shaping international discourse on strategic issues and I am happy to note that it is now concentrating on Asia. In April IISS will organize a major conference on India. Such occasions offer a useful opportunity for experts and scholars to exchange and analyze views on the series of strategic issues that confront us.

Today's one-day dialogue will engage on three subjects: the strategic shape of the world, international terrorism and energy security. All three are crucial to whether or not we in India achieve the basic goals we have set our foreign policy: of enabling the transformation of India. In fact, today more than ever, the outside world will affect India's future. Measured by any criterion, the proportion of GDP linked to foreign trade, the role of foreign investment and technology and India's need for energy, markets and raw materials, we are more connected to the rest of the world than ever before. The strategic shape of the world and the issues that you will consider are therefore central to our concerns.

The strategic shape of the world

It is sometimes said that what you see depends on where you stand. Looking at the world from India, it often seems that we are witness to the collapse of the Westphalian state system and a redistribution in the global balance of power leading to the rise of major new powers and forces. Our shorthand for this phenomenon is the rather inadequate word globalization. Equally, the twin processes of globalization and economic inter-dependence have resulted in a situation where Cold War concepts like containment have very little relevance. The interdependence brought about by globalization puts limits beyond which tensions among the major powers cannot escalate. What seems likely, and is in fact happening, is that major powers come together to form coalitions to deal with issues where they have a convergence of interests, despite differences in broader approach. In other words, what we see is the emergence of a global order marked by the preponderance of several major powers, with minimal likelihood of direct conflict amongst these powers. The result is a de-hyphenation of relationships with each other, of each major power engaging with all the others, in a situation that might perhaps be described as "general un-alignment".

We see the evolving situation as one in which there is an opportunity for India. As a developing country, the consistent objective of our foreign policy has been and remains poverty eradication and rapid and inclusive economic development. If we are to eradicate mass poverty by 2020, we need to keep growing our economy at 8-10% each year. This requires a peaceful and supportive global environment in general and a peaceful periphery in particular. We have therefore attempted since independence to expand India's strategic space, thus strengthening our strategic autonomy. In practice this has meant the increasing autonomy of decision-making of India on issues that are of importance to us, what our first Prime Minister

Nehru used to call our “enlightened self-interest”.

Today the international situation has made possible the rapid development of our relationships with each of the major powers, and this is apparent in developments over the last few years. Equally important have been two other necessary conditions for this rapid development which have given India space to work in: India’s rapid economic and social transformation. As a result of twenty five years of 6% growth, our reforms since 1991, India is today in a position to engage with the world in an unprecedented manner. Our engagement with the global economy is growing rapidly, with trade in goods and services now exceeding US\$ 330 billion. Our needs from the world have changed, as has our capability. India can do and consider things that we could not do or consider twenty years ago. This is reflected in how India perceives its own future, its ties with its neighbourhood and its approach to the larger international order. The second necessary condition which has obtained to a greater or lesser extent is our attempt to build a peaceful periphery within which India’s transformation can take place.

Paradoxically, some of the same forces of globalization – the evolution of technology, the mobility of capital and so on – which have led to the decline or collapse of the Westphalian state order are also the source of our greatest dangers. Our major threats today are from non-state actors, from trans-boundary effects of the collapse of the state system, or, at least, of its inadequacy.

(Parenthetically, the doctrine of absolute sovereignty created by the strong European states and rulers in earlier centuries is now the last defence of the weak against the strong.)

Looking ahead, the real factors of risk that threaten systemic stability come from larger, global issues like terrorism, energy security and environmental and climate change. With globalization and the spread of technology the threats have also globalised and now span across borders. These are issues that will impact directly on India’s ability to grow and expand our strategic autonomy. It is also obvious that no single country can deal with these issues alone. They require global solutions. Hence the importance of what you will discuss about the strategic shape of the world.

International Terrorism

Among these global threats, international terrorism remains a major threat to peace and stability. We in India have directly suffered the consequences

of the linkages and relationships among terrorist organizations, support structures and funding mechanisms, centered upon our immediate neighborhood, and transcending national borders. Any compromise with such forces, howsoever pragmatic or opportune it might appear momentarily, only encourages the forces responsible for terrorism. Large areas abutting India to the west have seen the collapse of state structures and the absence of governance or the writ of the state, with the emergence of multiple centres of power. The results, in the form of terrorism, extremism and radicalism are felt by us in India.

Energy Security

As for energy security, this is one issue which combines an ethical challenge to all societies with an opportunity to provide for the energy so necessary for development. For India, clean, convenient and affordable energy is a critical necessity if we are to improve the lives of our people. Today, India's per-capita energy consumption is less than a third of the global average. (Our per capita consumption is only 500 kgoe compared to a global average of nearly 1800 kgoe). For India a rapid increase in energy use per capita is imperative to realize our national development goals.

Global warming and climate change require all societies to work together. While the major responsibility for the accumulation of green house gasses in the atmosphere lies with the developed countries, its adverse affects are felt most severely by developing countries like India. When we speak of 'shared responsibility', it must include the international community's shared responsibility to ensure the right to development of the developing countries. Development is the best form of adaptation to climate change.

At the SAARC Council of Ministers last week in Delhi a Declaration was adopted which noted that the way forward must include:

- Adequate resources to tackle climate change without detracting from development funds.
- Effective access to and funding assistance for the transfer of environment-friendly technologies and for adaptation.
- Binding GHG emission reduction commitments by developed countries with effective timeframes.
- Equitable burden-sharing.

Equally, the transfer and access to clean technologies by developing countries, as global public goods on the lines of what was done for retrovirals to fight AIDS, is essential to effectively limit future GHG emissions. The IPR regime should include collaborative R&D and the sharing of the resulting IPRs.

India will work constructively with the global community to find solutions which do not constrain development. We are determined not to allow our per capita emissions of GHG's to exceed those of developed countries.

For all these reasons, the subjects you are about to consider are central to our concerns in India. I look forward to the results of your deliberations and wish you a very successful dialogue.



INDIA'S FOREIGN RELATIONS - 2007

SECTION - II

**CIVIL NUCLEAR ENERGY
COOPERATION WITH THE
UNITED STATES**

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075. Press summary of remarks by Special Envoy of the Prime Minister Shyam Saran at the India Habitat Centre on "India - U. S. Understanding on Civil Nuclear Energy Cooperation".

New Delhi, January 10, 2007.

The Special Envoy to the Prime Minister, Shri Shyam Saran had an interaction programme at the India Habitat Centre on January 10, 2007 where he spoke on "India-US understanding on civil nuclear cooperation - The Way Ahead.

"The Special Envoy dealt with a number of issues that have been raised concerning the recent passage of the Hyde Act by the US Congress, enabling the two countries to engage in civil nuclear energy cooperation.

He pointed out that the next steps involved:

- i) The negotiation and conclusion of a bilateral Indo-US cooperation agreement on civil nuclear energy cooperation, popularly known as the "123 Agreement";
- ii) An amendment in the guidelines of the Nuclear Suppliers' Group (NSG) permitting NSG members to engage in civil nuclear energy cooperation with India despite India not being a party to the Non-Proliferation Treaty (NPT) and not having full scope safeguards on all its nuclear facilities; and
- iii) Negotiation of an India specific safeguard agreement with the International Atomic Energy Agency (IAEA) covering India's declared civil nuclear energy facilities.

The Special Envoy pointed out that the significance of the Hyde Act lies in the fact that it gives permanent waiver to the US Administration from the application of the following key provisions in the US Atomic Energy Act 1954, in pursuing civil nuclear cooperation with India:

- i) The requirement that the partner country should not have exploded a nuclear explosive device;
- ii) the requirement of that country having all its nuclear facilities under safeguards i.e. full scope safeguards; and
- iii) The requirement that the country does not have an active nuclear

weapons programme involving development and production of nuclear weapons.

He pointed out that these waivers clearly recognize that India has a strategic programme and that its current nuclear weapons programme would not be under any limitations. These waivers, therefore, acknowledge all the most important attributes of a Nuclear Weapon State.

The Special Envoy explained why the Indo-US nuclear deal and the subsequent adjustments in the NSG guidelines would help India meet its growing energy requirements and would also lead to the dismantling of a series of technology denial regimes to which India was subject to over the past three decades.

In the Question and Answer session which followed, the Special Envoy was asked whether India would still go ahead with the deal if there were requirements which would undermine India's national interest. The Special Envoy pointed out that obviously if something undermined India's national interest, India would not go ahead with such an agreement. However, in the past several months that India and US have been negotiating on a very complex and difficult subject, they have been able to overcome the difficulties that they have confronted. They have displayed a constructive spirit and a spirit of problem solving. Given this spirit the Special Envoy stated that there was no reason why the remaining issues could not be overcome and the initiative brought to a successful conclusion. He said that he remained optimistic on this score. On what specific issues which remained to be tackled, he said that India would need to have the entitlement to reprocess U.S. origin spent fuel so that we do not once again face a Tarapur type situation, when we have accumulated large stocks of spent fuel. He pointed out that U.S. had given such entitlement to Switzerland, Japan and Eurotom and India would seek similar treatment.

The issue of the consequence of India carrying out a nuclear test in the future was also raised. The Special Envoy pointed out that the waiver given by the US Congress related-retrospectively to tests that have been carried out by India in the past but did not cover such tests prospectively. It had been clear right from the beginning that such a waiver would not be forthcoming from either the US or the NSG countries, several of whose members have both signed and ratified the Comprehensive Test Ban Treaty.

In this context, he also pointed out that India had committed itself to a unilateral moratorium on nuclear testing but was not prepared to convert

this into a legal undertaking. If at any future point of time India decided to carry out another test because of compelling national interests, then it would not be violating any legal undertaking but we would have to be aware of the fact that there could be consequences in terms of cessation of cooperation and possibly other sanctions.

In reply to another question relating to fuel supply assurances, the Special Envoy pointed out that the US Administration had confirmed that nothing in the legislation would prevent United States of America from fulfilling its commitment that it made to India in the July 18 Joint Statement and the March 2 Separation Plan, including fuel supply assurances.

He said that we should accept this assurance.



076. Interview of Chairman of the Atomic Energy Commission Dr. Anil Kakodkar to the fortnightly *Frontline*.

Trombay (Maharashtra), March 2, 2007.

What will be the future thrust of BARC activities?

BARC is a technology powerhouse. The future thrust will essentially be, of course, in the utilisation of thorium as fuel, which has been the thrust all along. Next comes the generation of nuclear energy at high temperature so that we can produce hydrogen in addition to electricity because hydrogen is likely to be another important carrier of energy in future. Then another thrust will be on ways of using technologies for storage, transportation and utilisation of hydrogen. We are also talking about the role of particle accelerators.

Do you mean accelerator-driven systems?

A lot of technologies have to be developed because particle accelerators can be used for energy production, for example, through accelerator-driven systems. This is as far as area of energy is concerned.

There are other areas. The spent fuel that comes out of the reactor contains a lot of radioactive products such as cesium. It is an important material for radiation processing. It is better than cobalt.

Can cesium be used for irradiation of spices, potatoes and onions to increase their shelf-life and prevent sprouting?

We can have a whole set of new technologies for radiation processing using cesium. Other thrust areas will be a host of technologies, including MEMs [micro-electro-mechanical systems], high-precision engineering and even futuristic micro-maching.

When will you start the construction of the Advanced Heavy Water Reactor (AHWR) that will use thorium as fuel, which will signify the beginning of the third stage of India's nuclear power programme? When you were BARC Director, you had written an article in the BARC newsletter in 1999 that India should accelerate the utilisation of thorium, which we have in plenty.

Correct.

In 2003, you said the DAE will start the construction of the AHWR in 2004. It is 2007 now.

I know.

Construction of the AHWR has not begun. You said it would begin in 2004.

The peer review was completed sometime ago. It was being looked at by the Atomic Energy Regulatory Board for pre-licensing review. I believe that has just been completed. They are now preparing the project document. So we want to start the construction this year. That will be our attempt.

Has Tarapur been selected as the site for the AHWR?

We have not decided on the site yet.

How was the criticality of the third nuclear reactor at Kaiga, Karnataka on February 26?

Kaiga-3 criticality went off very well.

It is said there has been a delay in starting the construction of the 700 MWe PHWRs because the natural uranium supply from the country will not match the demand. (The indigenous PHWRs use natural uranium as fuel and heavy water as both coolant and moderator).

Yes. We have to make some more progress on the mining and milling capacity of natural uranium in the country. We have this new mine coming up now.

Where is this new mine?

The uranium mine at Bandurung [near Jaduguda in Jharkhand State] is

ready. The erection of a mill at Turamdih [also near Jaduguda for processing the natural uranium] is almost complete.

We have the environmental clearance for the Tumalapalle mine in Andhra Pradesh. We also have the environmental clearance for exploratory mining at Gogi in Karnataka.

Is the mine at Bandurung producing uranium ore?

They have reached the ore body. As soon as the mill at Turamdih starts working, they will start producing the ore at Bandurung. The mill is mechanically complete. They must be commissioning it now.

You have not been able to bring around the Meghalaya government to start the process of uranium mining in the State.

In Meghalaya, some progress is there. It will take time. In the meantime, we are working on the preliminary activities on [starting the construction of] 700 MWe reactors [at Rawatbhatta in Rajasthan and Kakrapar in Gujarat].

You said in September 2006 that India would not allow its unilateral, voluntary moratorium on nuclear tests into a bilateral legality with the United States. The U.S. officials have told their Indian counterparts during their negotiations on the "123 agreement" that it is not merely a nuclear test by India but any event in India that "jeopardises supreme U.S. national interests" will lead to the termination of the Indo-U.S. nuclear cooperation.

The question is our position remains the same. The Prime Minister has very clearly stated our concerns in Parliament. Now, we are, of course, approaching the whole matter in a positive spirit. So what we would like to see is explicit provisions that safeguard our interests in the light of the concerns that were expressed in Parliament by our Prime Minister. That will be the basis on which we will approach the negotiations.

If the U.S. insists that India should not conduct any more nuclear tests and that it will terminate the Indo-U.S. nuclear cooperation if we do the tests...

We don't want to convert this [unilateral, voluntary moratorium on nuclear tests] into a bilateral legality. We cannot do that. The moratorium on nuclear testing is unilateral, voluntary. So that is the position. Nothing more than that.

The U.S. says that it would supply only one extra "core" of fuel for the reactors instead of the lifetime fuel supplies which had been agreed upon earlier by India and the U.S.

The March 2006 Separation Plan document has a clear provision for building stockpiles of fuel to meet the lifetime requirements of reactors placed under the International Atomic Energy Agency's safeguards. That is what I am saying. We need everything to be built into the 123 agreement in a very explicit manner so that our interests are protected.

At what stage is our negotiations with the U.S. on the 123 agreement?

The 123 draft has just been given to them.



077. Question in the Lok Sabha: "Nuclear Suppliers' Group".

New Delhi, May 16, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Government has made any efforts to garner support of the Nuclear Suppliers' Group (NSG) on Nuclear Treaty;
- (b) if so, the details thereof; and
- (c) the outcome thereof?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) to (c) A statement is placed on the Table of the House.

STATEMENT

- (a) & (b) Yes Sir. The Joint Statement of July 18, 2005 commits the United States to work with its friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India. Government have also taken steps to seek the support of Nuclear Suppliers Group (NSG) countries. This has been done through briefings in NSG member country capitals and in New Delhi as well as through dialogue with the NSG. The issue of an India-specific exemption to the NSG Guidelines has also been taken up at political levels during visits abroad as well as incoming visits.
- (c) As a result of these efforts, several important NSG countries such as UK, France and Russia have expressed understanding for our position.



078. Reaction of Official Spokesperson to a question about the meeting between Indian and US officials in London to discuss the nuclear deal.

New Delhi, May 23, 2007

Question: There was a meeting of Indian and US officials in London¹ on the nuclear issue. Anything on that?

Official Spokesperson: Yes, we have held a round of technical discussions with the United States on the bilateral Agreement for Cooperation in Civil Nuclear Energy in London on 21st and 22nd May. Let me add that during the discussions we have clarified certain concepts and exchanged ideas making further progress towards a mutually agreed text. Some further work is required to bridge the remaining gaps. Both sides have agreed that discussions will continue.

Question: Do you have any dates for the next round of discussions?

Official Spokesperson: I do not have any dates but we have said that discussions will continue.

Question: Who led the delegation?

Official Spokesperson: I do not have details with me on the composition of delegation but it was at the technical and expert level.



1. The meeting took place soon after U.S. Under Secretary of State Nicholas Burns postponed his visit to India amid reports of both sides being unable to concur on several clauses in the deal such as reprocessing rights, perpetuity of fuel supplies and continuance of the civil nuclear cooperation in case India conducted an atomic test. In a statement, the U.S. Embassy spokesperson said that Mr. Burns was optimistic about an accord while a top Indian official maintained that there was "commitment" at the top levels in both countries about the deal. The Press Trust of India from Washington said the U.S., however, reported 90 per cent progress towards finalisation of an agreement to operationalise the civil nuclear deal with India but said both countries needed to make "compromises" to sort out remaining differences. Mr. Burns meanwhile said he would be travelling to India in the next week or two for talks and that a "major effort" was expected in the near future to firm up the agreement.

079. Briefing by Foreign Secretary Shivshankar Menon on the visit of US Under Secretary of State Nicholas Burns for discussion on the India-US nuclear cooperation.

New Delhi, June 2, 2007.

Foreign Secretary (Shri Shivshankar Menon): I thought I would brief you on Under Secretary Burns' visit while it is still fresh in our minds. We have had Under Secretary Burns here for the last three days. We have had three intense, productive, constructive days of discussions with him. Apart from the talks with Special Envoy Shyam Saran and me on the 123 Agreement, he also called on our leaders. Earlier this evening, he had a courtesy call on Prime Minister. Yesterday evening, he called on the External Affairs Minister, Shri Pranab Mukherjee. He has also met I think a wide range of leaders across the political spectrum.

We used the opportunity not only to do the 123 Agreement, but also to talk about regional issues, about global issues that interest us, and about the broader India-US relationship which, as you know, has been transformed over the last few years. Maybe, I will just run you through those discussions and then I would be happy to answer any questions that you might have.

On the 123 Agreement which took up most of the time, we have had, as I said, constructive and productive discussion¹. There were several issues which were still open when we started this discussion. We have managed to remove some from the table. We still have a few issues left where there

1. At the end of the first day's talks media speculated that the US had nothing fresh to offer to meet Indian concerns. The contentious issues were stated to be: the U.S. refusal to allow India the right to reprocess spent fuel produced by American-manufactured reactors, and the U.S. insistence on including a "right of return" over any nuclear equipment or material such as the strategic nuclear fuel reserve sold to India, in the event of an Indian nuclear test. At the end of the talks the media describing the talks as "hardnosed negotiations" said the two had 'hit an impasse with no real progress registered on the major issues separating them'. The analysts felt that though some minor questions were cleared, "stalemate" was reached on issues like the right to reprocess spent fuel produced by any imported reactor. While the official Indian sources quoted by the media declined to characterise the situation as a "deadlock" it was said more time was needed to sort out the issues. "But if there are no reprocessing consent rights, then we simply can't proceed," said an official source, referring to the process - integral to India's indigenous civil nuclear programme - of converting the spent fuel produced by a nuclear reactor into fresh fuel for use in a fast breeder reactor. A separate statement issued by the U.S. embassy on 2nd June night said that India and the U.S. had made "some progress" on the 123 but "more work remains to be done to complete arrangements that will permit a civil nuclear agreement to be finalised." The media constructing the story

is some distance for us to travel. Our goal in this exercise is to produce a bilateral cooperation agreement for civil nuclear energy which reflects fully the July 18, 2005 Joint Statement and the March 2, 2006 Joint Statement between Prime Minister and President Bush, and the statement the Prime Minister has made in Parliament.

on the differences between the two on the question of reprocessing rights based on official sources provided a broad account of it.

It said the Indian officials insisted that their mandate was to secure the explicit recognition of India's right to reprocess spent fuel in the '123 agreement'. Under the U.S. Atomic Energy Act, any country, which buys and uses U.S. nuclear equipment or fuel requires American consent prior to reprocessing the spent fuel which is produced. But rather than obtaining this consent later in a subsequent agreement - as the American side insisted - India wanted the agreement to recognize it and also to specify the precise parameters under which actual reprocessing would take place. "There should not be any ambiguity in this matter," *The Hindu* quoted a senior Indian official. So far, all that the U.S. side was prepared to offer was "forward looking language" based on a formula similar to its 123 agreement with China. That agreement, concluded in 1985, provided for a presumption of approval in the event that China wished to "alter U.S. origin material" and an expedited process of consultations to agree on a mutually acceptable arrangement. In addition, the U.S. said it was willing to enter into a subsequent negotiation with India a few years down the line as and when the country was ready to reprocess the spent fuel that accumulates from U.S. reactors. Indian officials said that while the lack of explicit consent rights might be acceptable to China - whose 123 agreement began with the premise that the country had "no intention" of reprocessing U.S.-origin or U.S.-obligated fuel - India needed its rights to be recognised up front. "Reprocessing is integral to our entire three-stage programme," said an official. "Without reprocessing, there is nothing". Though officials acknowledge that any actual reprocessing was still years away, India's insistence on explicit consent rights was based on a close study of the tortuous process Japan and Euratom had to go through before they were able to begin the reprocessing of spent U.S. fuel despite the fact that they were American allies, with a long history of close defence cooperation. And yet the process dragged on for a long time and finally came with all kind of intrusive inspections. In contrast, not only India did not enjoy that kind of comfort level with the United States, but also had the history of Tarapur behind it. There, huge pools of spent fuel produced by an American-built reactor had accumulated over the years with Washington neither agreeing to take it back nor granting India the right to reprocess. "That is why we are insisting on a clear, rights-based approach." Guaranteeing adequate fuel - including a strategic reserve - for India's reactors was a key provision in the March 2, 2006 separation plan agreed by the U.S. and India. However, the Hyde Act contained a provision limiting the provision of fuel supplies for India and directing the administration to lobby against fuel supplies for India in the event that the U.S. ended its own nuclear cooperation with India. And then there was also the right of return, which, if incorporated into the 123 in the manner the U.S. wanted, would lead to India being forced to surrender its imported fuel reserves if ever were to conduct a nuclear weapons test. According to further reports the status of India's strategic fuel reserve also emerged as a major stumbling block. "I think as a result of our talks, we have a better understanding of their concerns and they of ours," said an official. He added that India this time was "more explicit than it has ever been so far" that the ownership of any nuclear fuel it imports under the Indo-U.S. agreement is a red line which cannot be crossed under any circumstances. It is significant that on June 2

We are still in the process of discussing the various issues. So, I do not want to go into the specific issues. In fact, I would not. We have an agreement among ourselves that we will not negotiate through the media, we will negotiate with each other. But I can tell you that as a result of the last three days' discussions, we have come much closer in our understanding of the issues that still divide us and we have managed to remove most of the issues from the table. It is our hope that when we do this agreement, which we both want to do rapidly, we will thereby make a major contribution to our own energy security to producing the energy that India needs for her own development, in a clean and environment-friendly manner.

Prime Minister Manmohan Singh used the "courtesy call" Nicolas Burns made on him to convey to the United States "in the clearest manner possible" that the nuclear deal would not be acceptable to either Parliament or people if it did not insulate India's nuclear facilities from supply disruptions and grant the right to reprocess spent fuel. Giving an account of the "brisk and businesslike" meeting, which was scheduled only after it became clear that negotiations on the bilateral nuclear cooperation agreement were going nowhere, media quoted senior Indian officials to say that the Prime Minister's message was intended to convey the fact that the Government had no intention of backing off on these and other red lines drawn by him in Parliament in August 2006. Together with the "extremely intensive" technical discussions stretching over three days, Indian officials said the Prime Minister's brief meeting with Burns "hopefully" drove home the point that India's insistence on reprocessing and fuel assurances was not a "negotiating tactic" but a reflection of domestic political realities. "No Prime Minister of India can stand up and tell Parliament that he is going ahead with this deal even though we haven't got reprocessing rights and there is no security of fuel supplies," *Hindu* quoted a senior official to say. "This is frankly not saleable politically." Asked for his assessment of how Mr. Burns reacted to the Indian message, an official said the feeling on the U.S. side has been that "We are doing such a big deal for India, why the hell are you not taking it? Why are you making such a big deal about reprocessing and strategic reserves?" "But now, for the first time, there seems to have been an appreciation from the Americans that there is a political issue which has to be resolved, and that we are not bluffing," said the official. He added: "I can't say the issue will be resolved, but if as a result of this last meeting we are now on the same wavelength, there is a better chance." For India, said the officials, "full civil nuclear energy cooperation" includes four separate spheres: reactors, fuel, reprocessing rights and fuel cycle equipment and technology. "It is very important to get this principle incorporated into the 123 agreement," said an official. "The fact that the [Bush] administration did not take the trouble to inform the U.S. Congress that reprocessing is a part of the deal is not our problem. We have been saying from June 3, that the U.S. side appeared to be facing "legal constraints" in completing the nuclear deal, say officials, is a reflection of India's view that the necessary adjustments to domestic law President Bush promised in July 2005 have not been fully carried out. In previous week's talks, say officials, a few relatively minor issues were resolved but all the big obstacles - reprocessing, security of fuel supplies, fall-back safeguards, and access to nuclear fuel cycle equipment - remained. On Article 14 of the draft 123 agreement - which deals with the circumstances under which there would be cessation of cooperation as well as the consequences that would follow - "there is still a lot of work that has to be done." For the moment, however, officials said efforts were focussed on ensuring that any consequences that follow an Indian

While in New Delhi, as I said, Under Secretary Burns called on the Prime Minister earlier today. This was a courtesy call. They reviewed the relationship as a whole, expressed satisfaction at the developments in the relationship, and looked forward to its further development. He called on the External Affairs Minister yesterday where the External Affairs Minister extended an invitation to Secretary of State Rice to visit India. It is possible that she will be coming within the next few months to India. We are working on that. They also covered regional and other issues and the broader relationship between our two countries. He called on the National Security Advisor also yesterday evening where again they covered both the 123 Agreement and the broader relationship.

nuclear test should not compromise the country's ability to ride out any cut-off in fuel supplies that may follow. Giving an account of one of the minor issues which was resolved, Indian officials said the status of "byproduct material" - defined in U.S. statute as "all materials (except fissionable material) yielded in the processes of producing fissionable material" - has now been settled. Byproduct material, which has a variety of industrial, commercial and medical applications, is not subject to safeguards by the International Atomic Energy Agency. "But the U.S. side started by demanding Indian byproduct material had to be safeguarded!" said an official. After a lengthy tussle, the U.S. backed off. Last week in Delhi, a compromise was reached wherein India said it would "share information" on any such material produced from U.S.-supplied equipment. While declining to provide specific details on the different proposals covering reprocessing and security of fuel supplies, senior officials in their briefings to the *Hindu* said the Indian side essentially sought to impress upon their American interlocutors the "legacy issue" of Tarapur. This is the U.S.-built reactor whose spent fuel has been accumulating for decades with Washington withholding permission to reprocess and refusing to take back what is essentially a toxic hazard. "There is also a practical issue," said an official. If India's ambitious plans on the nuclear front fructify and 20 additional 1000 MWe reactors are built, the accumulation of spent fuel would be enormous. "At that point, if we find we are not able to reprocess, this would be a massive problem." "In the Indian mind, Tarapur is negatively famous for two things," said an official. "For the fact that fuel supplies for the reactor were cut-off, and for our inability to reprocess. Hence, we need to show that through this negotiation we will no longer be exposed to these problems again. So we have to have strategic reserves to tide us over the problem of any disruption of supplies, and we have to have reprocessing." In practical political terms, said the official to the *Hindu*, the Prime Minister has to be able to "honestly get up and say 'Yes' if asked whether this negative legacy has been overcome, that there is reprocessing, that he has ensured there will be no supply disruptions for our reactors." At the same time, the *Hindu's* story said the officials hasten to add, that there were other big issues which were still unresolved in the 123 process. On fallback safeguards, which were mandated by the Hyde Act passed last December, the U.S. side was insisting that India agree to secondary bilateral safeguards. Indeed, one U.S. proposal was for so-called "joint safeguards" to be conducted by the IAEA and U.S. officials, something the Indian side has categorically rejected. As for access to reprocessing, enrichment and heavy water equipment and technology, the U.S. said its proposed cooperation with India would not cover this. While the Indian side did not realistically expect controls to be eased on the Nuclear Suppliers Group "trigger list" items - i.e. actual reprocessing or enrichment plants - it must be able to buy "dual use" list items for use in civilian reprocessing and enrichment facilities.

All told, I think this has been a positive and useful visit. It has taken us some of the way forward towards the Agreement that we want, towards our goal or the 123 Agreement which actually reflects in legal terms the understandings that our leaders have arrived at previously.

Am I satisfied with the visit? Yes, I think we have achieved what we could, what we set out to do in this particular round. We have agreed that we will continue these discussions until we bring the discussions to a successful conclusion.

I would be happy to answer any questions that you might have.

Question: You said that you do not want to negotiate through media. But could you at least tell us the areas where you have reached agreement?

Foreign Secretary: Rather than doing that what I would like to do is to just say that we have made considerable progress towards this goal of an agreement which reflects July 18, 2005 and March 2, 2006 Joint Statements and what Prime Minister said in Parliament. But there are still issues where there is a gap. Maybe now, thanks to these discussions, we both understand each other's positions much better. We know what is possible. We even, in some cases, see a way forward towards resolving. But we need to sit and think about it. We will do a little thinking, they will do their thinking. This is normal. I think this is part of the negotiating process. So, I do not want to get into which issue is at which stage of resolution.

Question: I have pretty much the same question....

Foreign Secretary: I will give you the same answer.

Question: If you could at least tell us in 'yes' or 'no'. We know that the right to reprocess spent fuel has been at the heart of the differences we have had with them. Is that still an issue?

Foreign Secretary: That is one of the issues we discussed.

Question: You said that Mr. Burns met the Prime Minister. Was there any message from President Bush to the Prime Minister? Is any meeting between President and the Indian Prime Minister scheduled?

Foreign Secretary: I think they both will be in the Heiligendamm together on the 8th of June for the Summit. Now I think they are in the process of trying to schedule the meeting. But certainly they will have an opportunity to talk while they are there together.

Question: Did he get any letter or any message from President Bush?

Foreign Secretary: No, he did not.

Question: Have you set any dates or deadlines for finalizing the agreement?

Foreign Secretary: We are optimistic that we will have an agreement. But, as you know, I have never tried to set dates for this, or to set deadlines because I do not think that is the right way to negotiate something that is so complicated where the issues are really interlinked. Therefore, to start saying that we have done one issue and not done the other, actually does not reflect the situation properly. Many of these issues are interlinked. It is a complicated agreement. It is the first time I think we are trying to have such an agreement, both of us. Both, I think, have the will to bring it to a successful conclusion. But I do not think that setting dates or deadlines is really the way to go about.

Question: You said that both sides are trying to give a legal expression to the two Joint Statements. Are the United States and India on same page as far as the whole set of commitments which ...(inaudible)... It is an acknowledged fact that ...(inaudible)... is an integral part of the July ...(inaudible)...

Foreign Secretary: I think that is exactly what we are establishing with this agreement. When we have the agreement we will say, "they are on the same page entirely." I think we are closer and closer to being entirely on the same page. That is what this negotiation process is about. But the problem here is I think that, as I said, these are interlinked issues. So, it is not possible to say, 'Yes, on this issue we are on the same page, on this issue we are not', because they all affect each other.

Question: Is it difficult to reach the (123) agreement within the legal framework if there is no agreement at the political level?

Foreign Secretary: This is a chicken-and-egg situation. We have a political understanding already. I think it is a question of reducing that to a legal framework. I think that is what we are doing.

Question: You said there was a gap in understanding in some of the issues. Do you want to tell us what that is?

Foreign Secretary: No.

Question: Is there any thought that we could be running out of time? Is there a possible timeframe (that) you are looking at to wrap up the discussions? When could the next round of talks be held?

Foreign Secretary: We both like to do it very quickly, the quicker the better, quite frankly. But, as I said, we are not setting deadlines for ourselves. I do not think we are saying that we will do it by this date or that date. What we have agreed today is that we will meet again, we will discuss this again. We both need a little time to think over what we have done over the last few days. Then we will re-engage whenever it suits both of us.

Question: How many rounds of talks have been completed between the two countries so far?

Foreign Secretary: Formal rounds - four. But this is a subject that we have been discussing in various conversations whenever we met at various levels. Yes, four is the formal number of rounds that we have had. But I do not think it reflects the reality of the nature of the engagement.

Question: Have any dates been finalized for Prime Minister's visit to the US?

Foreign Secretary: I think we have not set dates for the Prime Minister's visit yet. What we are now looking at is a visit in the next few months by the Secretary of State. We still have to agree dates. But I think when the External Affairs Minister extended the invitation yesterday we were looking at dates sometime towards the end of July and beginning of August.

Question: *You don't just now want to tell the issues on which there is disagreement. Can you tell us the issues on which there is agreement?*

Foreign Secretary: *If tell that, then you will know the other too.*

Question: *What is the distance between agreement and disagreement?*

Foreign Secretary: *There is agreement on a lot of issues. The disagreement has narrowed down; it is much less than before. Each time we talk, we try to increase the area of agreement; and a lot has increased.*

Question: *What is the percentage of agreement and disagreement?*

Foreign Secretary: *We cannot calculate in percentage.*

Question: *According to you how far is Delhi?*

Foreign Secretary: *I am very much in Delhi. I was saying that in this neither I want to go into percentages nor I want to estimate the distance. When it is done, you will be informed that it is done. But the talks will continue.*

Question: Mr. Menon, since we want to know something more than you want to tell us, Mr. Burns is not here and you are not addressing the Joint Press Conference, shall we understand something more out of that? What does it mean?

Foreign Secretary: It only means that Mr. Burns has to catch a flight and he has gone to the airport. That is what it means.

Question: One of the issues you have to resolve is the sequencing arrangement like when we deliver on the IAEA safeguards and other things etc. Is this technical delegation level talks the forum where the problems would be addressed or they will be addressed at some other level?

Foreign Secretary: I think what we are trying to do is to do all these processes simultaneously. Obviously we need a bilateral civil cooperation agreement before we have something that needs to be safeguarded. But we have begun our contacts with the IAEA to discuss an India-specific safeguards agreement and those discussions have gone well, positively. Once we have a bilateral civil cooperation agreement with the US, we would then I think be in a position to actually move further forward on the IAEA safeguards agreement and go to the NSG for the necessary exemption. I think ultimately our goal is to have it all done, and the quicker we can get all three done, the better.

Question: Has any date been agreed for the next round of talks?

Foreign Secretary: No, we have not agreed a date.

Question: Sir, by any chance was the letter written by the Senators raised in the discussions?

Foreign Secretary: No.

Question: *The talks that will take place now will be at your level or any other level? If America agrees with the problems that India has with the Hyde Act, and accommodates India, it will have to go to the American Congress; and if India agrees with the United States; then it has to answer its Parliament. What is the way out?*

Foreign Secretary: Let me be precise. The US Administration has assured us that nothing in the Hyde Act prevents them from implementing their obligations under July 18, 2005 and March 2, 2006 Joint Statements. Our task is to reduce those understandings into a legal agreement. So far we are well on the way to doing so. As I said, we are close to actually doing so.

When we finish that task, we will be able to confirm to you whether or not anything in the Hyde Act prevents the US Administration from fulfilling its obligations as we understand them under those two Joint Statements. I think that is the position today. Our job is to reflect those understandings in the agreement. So far we have been assured nothing prevents that. So far we are moving forward steadily.

Question: *What are the issues for which America will be answerable to its Congress and the issues for which India is answerable to its Parliament?*

Foreign Secretary: *When you see the agreement every thing will become clear. Thank you very much.*

(Text in italics is the translation from Hindi Text)



080. Extract from the Media interaction of Prime Minister Dr. Manmohan Singh on board the special flight from Berlin to New Delhi after attending the Out Reach Conference of the G-8 in Berlin.

June 9, 2007.

President Bush was not well yesterday. But he came briefly for the meeting and then he took me aside and we had a good conversation on our cooperation in the civil nuclear energy and related issues. There has been a whole lot of speculation in the press about difficulties. There are some difficulties but I think both of us expressed our determination to overcome them. President Bush was quite appreciative of our concerns. Beyond that, I wouldn't like to say more than that. He has a very positive feeling towards India and he feels a certain sense of ownership of the nuclear deal and therefore I was quite satisfied with my meeting. Mr. Narayanan had a meeting with his counterpart, the National Security Advisor.

Extract from the Question - Answer session:

On the India- US Nuclear deal :

1. Let me say that I cannot assert that I got the final answer yesterday. I can only talk about atmospherics. Atmospherics at the yesterday's meetings were quite positive but it will take some more time. Some

tough negotiations will be required before we see light at the end of the tunnel.

2. There are several ideas which are around . I think this is an ongoing process. I think there is nothing new. All we are interested in is the substance of the 123 agreement should conform to what I had told people of India, what I told Parliament. I think various permutations and combinations are discussed from time to time. There is no finality to these till we see light at the end of the tunnel.
3. He [Bush] took copious notes of what I said to him. With him was his deputy, Hadley, the National Security Advisor. Mr. Narayanan had also detailed talks with Mr. Hadley.
4. We did not discuss a time frame. It was too brief a meeting for me. The President was not too well yesterday. In spite of that he did us the honour of pulling me aside and discussing this issue.
5. Well, it will be immature on my part to indicate any deadline. Why September? Why not earlier?

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On Opposition parties criticism of the nuclear deal.

8. It doesn't bother me. I have always said, we should judge politicians not by what they say when they are in opposition but what they do when they are in seat of power. I am quite sure any patriotic Indian, if she or he had reins of running this country, they would have welcomed the deal. What we are attempting would end India's nuclear isolation, preserve the integrity of our strategic programme, and at the same time, open new pathways for India to cooperate in international civil nuclear energy. Energy is our critical bottleneck. Environment friendly energies are now talk of the town. Nuclear energy happens to be one such clean energy. If we get access to International cooperation, international technology, I think that will only enhance our development objectives.



081. Extract from the T.V Interview of External Affairs Minister Pranab Mukherjee with Karan Thapar on India – US nuclear deal.

New Delhi, June 10, 2007.

[India's External Affairs Minister Pranab Mukherjee explains the current position of nuclear talks between India and US in an exclusive interview to Karan Thapar on Devil's Advocate. Excerpts:-]

Karan Thapar: After the Burns-Menon's meeting, where does the Indo-US nuclear deal stands—that's one of the issues that I shall explore today with External Affairs Minister Pranab Mukherjee.

Mr. Mukherjee you have already said that the Indo-US nuclear deal hasn't hit a roadblock. But are you disappointed with the outcome of the Menon-Burns talks?

Pranab Mukherjee: This is a negotiation which is going on for quite some time. There are certain issues, which are yet to be dissolved. So there is no question of disappointment. We are engaged in negotiations.

Karan Thapar: Let's look at some of the issues which as you say still need to be resolved and start with the question of reprocessing. Nothing in US law and nothing in the hierarchy prohibits America granting India reprocessing rights. So what explanation have they given you for their reluctance to give us these rights?

Pranab Mukherjee: Look it's not possible for us to explain in details what is their stand. We can only explain what is our expectation and to what extent we can go. Reprocessing is absolutely necessary for us because we do not want to have a situation like the repetition of Tarapur.

Karan Thapar: Quite right and have they explained why they are reluctant?

Pranab Mukherjee: They say that they have some problems. We said that you do not transfer your problems to us. What has been agreed in the joint statement of July 2005 and subsequently in March 2006 and what's in our commitment to Parliament - they are already aware of it - therefore within these two parameters, this 123 Agreement has to be signed.

Karan Thapar: When Mr Burn was here last week, did you point out to him that at his press conference in Hyderabad House in March 2, 2006, George

Bush as good as committed himself to giving India reprocessing rights. He said and I quite, "I don't see how you can advocate nuclear power without advocating technological development of reprocessing.

Pranab Mukherjee: That's why I am saying that it is for them to decide and to argue and carry on conviction to their people if they have any difficulty. What we required we made it quite clear to them.

Karan Thapar: America has granted reprocessing rights to three countries. It has given it in the past—to Switzerland, Japan and to Euratom. Would India be satisfied with reprocessing rights on the same terms and conditions?

Pranab Mukherjee: First of all we will be satisfied only, we will have to examine it in the context of our commitment to the Indian Parliament in the joint statement of July 2005 and the separation plan of 2006.

Karan Thapar: People say that there are two steps that India could consider taking, Which these three countries, which I have just named, have already taken, which would encourage America. They say that were you to identify the reprocessing plant where the reprocessing would happen, and were you to be more amenable and acceptable to fallback safeguards, this would encourage America. Are you prepared to take these steps?

Pranab Mukherjee: Look, there are certain issues, which we shall have to keep in mind. For instance, India is a non-signatory to NPT. The other countries which you have referred to all of them are signatories to NPT. Therefore this arrangement will have to be India-specific.

Karan Thapar: So, just because these three countries have taken certain steps, India cant necessarily follow the same way.

Pranab Mukherjee: India can follow what has been stated, as I mentioned in those two statements, and what is our commitment to the Indian Parliament.

Karan Thapar: Another way in fact the reprocessing rights could be granted to India is when America were to adopt what it did with China. In the case of 123 Agreement with China, America has committed itself to expeditiously and favourable considering any Chinese request for reprocessing within a limited time frame of just six months and if no decision is possible in that six months period then China automatically gets an interim right to reprocess. Would that be acceptable?

Pranab Mukherjee: I'm sorry Karan but you are making comparison between the incomparables. China is already a declared nuclear weapon state. I have already stated that it will have to be India-specific in the context as India is a non-signatory to NPT.

Karan Thapar: If none of the earlier examples or precedence are applicable to us as you pointed out, doesn't that make you the granting of reprocessing even more difficult?

Pranab Mukherjee: I don't think it will be more difficult. We will be able to find some way out. Though the negotiations have protracted, but in a complicated negotiation like this sometimes it happens. Both countries are trying their best. I don't doubt their sincerity. Similarly we would also like to have it. Because the process began from July 2005 when Prime Minister visited.

Karan Thapar: Do you think that if both countries try their best, the outcome will be satisfactory to India, or is there a danger that the best may not be good enough.

Pranab Mukherjee: No that's your value judgment. I'm not entering into any value judgment at this juncture. Let me first reach the breach and then I will think what to do next.

Karan Thapar: Very interesting. You are not wanting to express confidence. But you are leaving open the possibility that on reprocessing you might not get what would be satisfactory for India.

Pranab Mukherjee: No, I am saying that what will satisfy me—those parameters are in the knowledge of public domain. If it meets my requirements in the context of those documents, I will be satisfied.

Karan Thapar: A second sticking point according to the press is the issue of what America calls 'right to return'. On that question of right to return, is India looking for an exemption from that law or is India looking for a way to cushioning the impact of the law so that it doesn't have a deleterious, hurtful or harmful impact on India's position. Which is that you are looking for?

Pranab Mukherjee: No. We would not like to have any impact on our indigenous nuclear programme. And also we would not like to affect our strategic programme to maintain the reserves for our strategic programme.

Karan Thapar: Very specifically on this question of right to return, I imagine your prime interest is to ensure that any strategic reserves of fuel which

you build up are not covered by the right to return. But can America exempt India's strategic reserves without making a mockery of its own law of right of return?

Pranab Mukherjee: What would be India specific? Otherwise where does the question come about India-specific? It is known to everybody that India is not a signatory to NPT. India has its strategic programmes.

Karan Thapar: And therefore you are saying that anything that is India specific must take into consideration the fact that we have certain demands that are different to other countries and they must be met and catered.

Pranab Mukherjee: Exactly, because we would like to continue our existing position in respect of the other things.

Karan Thapar: How confident are you that at the end of this whole series of negotiations, you will have a satisfactory 123 which India can accept and sign?

Pranab Mukherjee: Unless it meets our requirement, it will be difficult for us to accept any proposition.

Karan Thapar: Are you optimistic or pessimistic about it?

Pranab Mukherjee: I am hopeful. The way you want to interpret...I'm hopeful that everything will fall in line.

Karan Thapar: But hopeful is not a very positive word. It's a very neutral word.

Pranab Mukherjee: I do not know whether it is a positive word. I'm not a great linguist. So let's leave it to the linguists.

Karan Thapar: If for some reason, after two years of negotiating, the Indo-US nuclear deal falls through, how much of a setback will it be to Indo-US relations?

Pranab Mukherjee: No, I do not think it will have any adverse impact on Indo-US relationship because the relationship is growing. These developments have taken place from the July 2005. It is an important landmark in our bilateral relationships no doubt but we do hope as I mentioned that we will be able to reach the successful conclusion of the present series of negotiations. Therefore I am not looking at that at all.

Karan Thapar: But you are also saying that if you don't reach to a hopeful or a satisfactory conclusion it won't have a major impact on the relationship.

Pranab Mukherjee: It should not have.

Karan Thapar: 'It should not have'. 'Should not' means also hopefully it won't have.

Pranab Mukherjee: Again you are just trying to twist the words. What is the fun in it?

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Pranab Mukherjee: Thank You.



082 Press Release issued by the Prime Minister's Office on the Prime Minister's telephonic talk with US President George W. Bush.

New Delhi, July 11, 2007.

Prime Minister Dr. Manmohan Singh had a telephone conversation with United States President George Bush earlier this evening. The two leaders expressed satisfaction at the strong India-US bilateral relationship and spoke about the forthcoming discussions between the National Security Advisers of both countries, scheduled for next week. They were of the view that these discussions will reinforce our strong bilateral relations. The Prime Minister and the US President also said they both looked forward to continuing their own discussions at their next meeting¹.



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1. The telephonic talk led to media speculation on the urgency of the negotiations being clinched in the next round of talks. The inclusion of Anil Kakodkar, Secretary Department of Atomic Energy along with the Foreign Secretary Shivshankar Menon and the fact that level of delegations was upgraded to that of National Security Advisors of the two countries, was considered as adding urgency to the negotiations. Media speculated that the visit of Ambassador Ronen Sen to New Delhi the previous week for consultations, was another piece of evidence of the need to clinch the Agreement.
- The *Indian Express* said on July 11 "though the right atmospheric are in place for the talks, the key hurdle in the 123 talks of US extending India the right to reprocess spent fuel still remains unresolved. While this is an absolute must for India, given that the PM made this commitment in Parliament, American bureaucracy continues to grapple with the reality that a blanket "programmatic consent" has not yet been given even to Russia and China. Barring EU and Japan, US only gives "case-by-case consent" for reprocessing to other nuclear powers. But Indian hopes rested on a political decision from White House. The second issue holding back the agreement was US reluctance to assure that 'it will not demand return of US-origin fuel in case the agreement were to terminate if India tested a nuclear device in future.' New Delhi argued that this was against Washington's March 2 commitment for permanent guarantee of fuel supplies.

083A. Joint Press Statement issued on the conclusion of meetings on the US-India Civil Nuclear Cooperation Initiative.

Washington (D. C), July 21, 2007.

Under Secretary of State for Political Affairs R. Nicholas Burns and Foreign Secretary Shivshankar Menon held four days of meetings in Washington July 17-20, 2007, on the US-India Civil Nuclear Cooperation Initiative, including talks on bilateral agreement for peaceful nuclear cooperation, also known as the 123 agreement.

2. In addition, National Security Advisor M.K.Narayanan and Foreign Secretary Menon met with Vice President Cheney, Secretary Rice, Secretary Gates, and with the U.S. National Security Advisor Stephen P.Hadley.
3. The discussions were constructive and positive, and both Under Secretary Burns and Foreign Secretary Menon are pleased with the substantial progress made on the outstanding issues in the 123 agreement. We will now refer the issue to our governments for final review.
4. Both the United States and India look forward to the completion of these remaining steps and to the conclusion of this historic Initiative¹.



1. In New Delhi a joint meeting of the Cabinet Committee on Political Affairs (CCPA) and the Cabinet Committee on Security (CCS) on July 25 approved the text of the '123' civilian nuclear cooperation agreement. National Security Adviser M.K. Narayanan and Foreign Secretary Shivshankar Menon, who conducted the Washington talks, briefed the Cabinet members on the "deal." Prime Minister Manmohan Singh presided over the meeting. Besides the four CCS members (Shivraj Patil, Pranab Mukherjee, A.K. Antony and P. Chidambaram), the CCPA comprises HRD Minister Arjun Singh, Agriculture Minister Sharad Pawar, Transport Minister T.R. Baalu and Railway Minister Lalu Prasad. (The text would be presented to the Atomic Energy Commission for approval at its meeting on July 27. Once it gives its sanction, the two countries are likely to release the text simultaneously.) The Prime Minister took the earliest opportunity to meet the top Left leaders on July 25 night itself to allay their concerns on the matter. Pranab Mukherjee told the media that "all concerns of India have been reflected and adequately addressed" in the agreement. (Mr. Mukherjee said Dr. Singh had invited the former Prime Minister, Atal Bihari Vajpayee, the Leaders of the Opposition in the Lok Sabha and the Rajya Sabha, L.K. Advani and Jaswant Singh, for discussions this week. Leaders of other political parties would also be briefed on the agreement, he said.)

083B. Initialed Text of the Agreement for Cooperation between The Government of India and The Government of the United States of America concerning peaceful uses of nuclear energy.

The Government of India and the Government of the United States of America, hereinafter referred to as the Parties,

RECOGNIZING the significance of civilian nuclear energy for meeting growing global energy demands in a cleaner and more efficient manner;

DESIRING to cooperate extensively in the full development and use of nuclear energy for peaceful purposes as a means of achieving energy security, on a stable, reliable and predictable basis;

WISHING to develop such cooperation on the basis of mutual respect for sovereignty, non-interference in each other's internal affairs, equality, mutual benefit, reciprocity and with due respect for each other's nuclear programmes;

DESIRING to establish the necessary legal framework and basis for cooperation concerning peaceful uses of nuclear energy;

AFFIRMING that cooperation under this Agreement is between two States possessing advanced nuclear technology, both Parties having the same benefits and advantages, both committed to preventing WMD proliferation;

NOTING the understandings expressed in the India - U.S. Joint Statement of July 18, 2005 to enable full civil nuclear energy cooperation with India covering aspects of the associated nuclear fuel cycle;

AFFIRMING their support for the objectives of the International Atomic Energy Agency (IAEA) and its safeguards system, as applicable to India and the United States of America, and its importance in ensuring that international cooperation in development and use of nuclear energy for peaceful purposes is carried out under arrangements that will not contribute to the proliferation of nuclear weapons or other nuclear explosive devices;

NOTING their respective commitments to safety and security of peaceful uses of nuclear energy, to adequate physical protection of nuclear material and effective national export controls;

MINDFUL that peaceful nuclear activities must be undertaken with a view to protecting the environment;

MINDFUL of their shared commitment to preventing the proliferation of weapons of mass destruction; and

DESIROUS of strengthening the strategic partnership between them;

Have agreed on the following:

ARTICLE 1 - DEFINITIONS

For the purposes of this Agreement:

- (A) "By-product material" means any radioactive material (except special fissionable material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special fissionable material. By-product material shall not be subject to safeguards or any other form of verification under this Agreement, unless it has been decided otherwise by prior mutual agreement in writing between the two Parties.
- (B) "Component" means a component part of equipment, or other item so designated by agreement of the Parties.
- (C) "Conversion" means any of the normal operations in the nuclear fuel cycle, preceding fuel fabrication and excluding enrichment, by which uranium is transformed from one chemical form to another - for example, from uranium hexafluoride (UF₆) to uranium dioxide (UO₂) or from uranium oxide to metal.
- (D) "Decommissioning" means the actions taken at the end of a facility's useful life to retire the facility from service in the manner that provides adequate protection for the health and safety of the decommissioning workers and the general public, and for the environment. These actions can range from closing down the facility and a minimal removal of nuclear material coupled with continuing maintenance and surveillance, to a complete removal of residual radioactivity in excess of levels acceptable for unrestricted use of the facility and its site.
- (E) "Dual-Use Item" means a nuclear related item which has a technical use in both nuclear and non-nuclear applications.
- (F) "Equipment" means any equipment in nuclear operation including reactor, reactor pressure vessel, reactor fuel charging and discharging equipment, reactor control rods, reactor pressure tubes,

reactor primary coolant pumps, zirconium tubing, equipment for fuel fabrication and any other item so designated by the Parties.

- (G) “High enriched uranium” means uranium enriched to twenty percent or greater in the isotope 235.
- (H) “Information” means any information that is not in the public domain and is transferred in any form pursuant to this Agreement and so designated and documented in hard copy or digital form by mutual agreement by the Parties that it shall be subject to this Agreement, but will cease to be information whenever the Party transferring the information or any third party legitimately releases it into the public domain.
- (I) “Low enriched uranium” means uranium enriched to less than twenty percent in the isotope 235.
- (J) “Major critical component” means any part or group of parts essential to the operation of a sensitive nuclear facility or heavy water production facility.
- (K) “Non-nuclear material” means heavy water, or any other material suitable for use in a reactor to slow down high velocity neutrons and increase the likelihood of further fission, as may be jointly designated by the appropriate authorities of the Parties.
- (L) “Nuclear material” means (1) source material and (2) special fissionable material. “Source material” means uranium containing the mixture of isotopes occurring in nature; uranium depleted in the isotope 235; thorium; any of the foregoing in the form of metal, alloy, chemical compound, or concentrate; any other material containing one or more of the foregoing in such concentration as the Board of Governors of the IAEA shall from time to time determine; and such other materials as the Board of Governors of the IAEA may determine or as may be agreed by the appropriate authorities of both Parties. “Special fissionable material” means plutonium, uranium-233, uranium enriched in the isotope 233 or 235, any substance containing one or more of the foregoing, and such other substances as the Board of Governors of the IAEA may determine or as may be agreed by the appropriate authorities of both Parties. “Special fissionable material” does not include “source material”. Any determination by the Board of Governors of the IAEA under Article XX of that Agency’s Statute or otherwise that amends the list of materials considered to

be "source material" or "special fissionable material" shall only have effect under this Agreement when both Parties to this Agreement have informed each other in writing that they accept such amendment.

- (M) "Peaceful purposes" include the use of information, nuclear material, equipment or components in such fields as research, power generation, medicine, agriculture and industry, but do not include use in, research on, or development of any nuclear explosive device or any other military purpose. Provision of power for a military base drawn from any power network, production of radioisotopes to be used for medical purposes in military environment for diagnostics, therapy and sterility assurance, and other similar purposes as may be mutually agreed by the Parties shall not be regarded as military purpose.
- (N) "Person" means any individual or any entity subject to the territorial jurisdiction of either Party but does not include the Parties.
- (O) "Reactor" means any apparatus, other than a nuclear weapon or other nuclear explosive device, in which a self-sustaining fission chain reaction is maintained by utilizing uranium, plutonium, or thorium or any combination thereof.
- (P) "Sensitive nuclear facility" means any facility designed or used primarily for uranium enrichment, reprocessing of nuclear fuel, or fabrication of nuclear fuel containing plutonium.
- (Q) "Sensitive nuclear technology" means any information that is not in the public domain and that is important to the design, construction, fabrication, operation, or maintenance of any sensitive nuclear facility, or other such information that may be so designated by agreement of the Parties.

ARTICLE 2 - SCOPE OF COOPERATION

1. The Parties shall cooperate in the use of nuclear energy for peaceful purposes in accordance with the provisions of this Agreement. Each Party shall implement this Agreement in accordance with its respective applicable treaties, national laws, regulations, and license requirements concerning the use of nuclear energy for peaceful purposes.
2. The purpose of the Agreement being to enable full civil nuclear energy

cooperation between the Parties, the Parties may pursue cooperation in all relevant areas to include, but not limited to, the following:

- a. Advanced nuclear energy research and development in such areas as may be agreed between the Parties;
 - b. Nuclear safety matters of mutual interest and competence, as set out in Article 3;
 - c. Facilitation of exchange of scientists for visits, meetings, symposia and collaborative research;
 - d. Full civil nuclear cooperation activities covering nuclear reactors and aspects of the associated nuclear fuel cycle including technology transfer on an industrial or commercial scale between the Parties or authorized persons;
 - e. Development of a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactors;
 - f. Advanced research and development in nuclear sciences including but not limited to biological research, medicine, agriculture and industry, environment and climate change;
 - g. Supply between the Parties, whether for use by or for the benefit of the Parties or third countries, of nuclear material;
 - h. Alteration in form or content of nuclear material as provided for in Article 6;
 - i. Supply between the Parties of equipment, whether for use by or for the benefit of the Parties or third countries;
 - j. Controlled thermonuclear fusion including in multilateral projects; and
 - k. Other areas of mutual interest as may be agreed by the Parties.
3. Transfer of nuclear material, non-nuclear material, equipment, components and information under this Agreement may be undertaken directly between the Parties or through authorized persons. Such transfers shall be subject to this Agreement and to such additional terms and conditions as may be agreed by the Parties. Nuclear material, non-nuclear material, equipment, components and

information transferred from the territory of one Party to the territory of the other Party, whether directly or through a third country, will be regarded as having been transferred pursuant to this Agreement only upon confirmation, by the appropriate authority of the recipient Party to the appropriate authority of the supplier Party that such items both will be subject to the Agreement and have been received by the recipient Party.

4. The Parties affirm that the purpose of this Agreement is to provide for peaceful nuclear cooperation and not to affect the unsafeguarded nuclear activities of either Party. Accordingly, nothing in this Agreement shall be interpreted as affecting the rights of the Parties to use for their own purposes nuclear material, non-nuclear material, equipment, components, information or technology produced, acquired or developed by them independent of any nuclear material, non-nuclear material, equipment, components, information or technology transferred to them pursuant to, this Agreement. This Agreement shall be implemented in a manner so as not to hinder or otherwise interfere with any other activities involving the use of nuclear material, non-nuclear material, equipment, components, information or technology and military nuclear facilities produced, acquired or developed by them independent of this Agreement for their own purposes.

ARTICLE 3 - TRANSFER OF INFORMATION

1. Information concerning the use of nuclear energy for peaceful purposes may be transferred between the Parties. Transfers of information may be accomplished through reports, data banks and computer programs and any other means mutually agreed to by the Parties. Fields that may be covered include, but shall not be limited to, the following:
 - a. Research, development, design, construction, operation, maintenance and use of reactors, reactor experiments, and decommissioning;
 - b. The use of nuclear material in physical, chemical, radiological and biological research, medicine, agriculture and industry;
 - c. Fuel cycle activities to meet future world-wide civil nuclear energy needs, including multilateral approaches to which they are parties for ensuring nuclear fuel supply and appropriate

- techniques for management of nuclear wastes;
 - d. Advanced research and development in nuclear science and technology;
 - e. Health, safety, and environmental considerations related to the foregoing;
 - f. Assessments of the role nuclear power may play in national energy plans;
 - g. Codes, regulations and standards for the nuclear industry;
 - h. Research on controlled thermonuclear fusion including bilateral activities and contributions toward multilateral projects such as the International Thermonuclear Experimental Reactor (ITER); and
 - i. Any other field mutually agreed to by the Parties.
2. Cooperation pursuant to this Article may include, but is not limited to, training, exchange of personnel, meetings, exchange of samples, materials and instruments for experimental purposes and a balanced participation in joint studies and projects.
 3. This Agreement does not require the transfer of any information regarding matters outside the scope of this Agreement, or information that the Parties are not permitted under their respective treaties, national laws, or regulations to transfer.
 4. Restricted Data, as defined by each Party, shall not be transferred under this Agreement.

ARTICLE 4 - NUCLEAR TRADE

1. The Parties shall facilitate nuclear trade between themselves in the mutual interests of their respective industry, utilities and consumers and also, where appropriate, trade between third countries and either Party of items obligated to the other Party. The Parties recognize that reliability of supplies is essential to ensure smooth and uninterrupted operation of nuclear facilities and that industry in both the Parties needs continuing reassurance that deliveries can be made on time in order to plan for the efficient operation of nuclear installations.
2. Authorizations, including export and import licenses as well as

authorizations or consents to third parties, relating to trade, industrial operations or nuclear material movement should be consistent with the sound and efficient administration of this Agreement and should not be used to restrict trade. It is further agreed that if the relevant authority of the concerned Party considers that an application cannot be processed within a two month period it shall immediately, upon request, provide reasoned information to the submitting Party. In the event of a refusal to authorize an application or a delay exceeding four months from the date of the first application the Party of the submitting persons or undertakings may call for urgent consultations under Article 13 of this Agreement, which shall take place at the earliest opportunity and in any case not later than 30 days after such a request.

ARTICLE 5 - TRANSFER OF NUCLEAR MATERIAL, NON-NUCLEAR MATERIAL, EQUIPMENT, COMPONENTS AND RELATED TECHNOLOGY

1. Nuclear material, non-nuclear material, equipment and components may be transferred for applications consistent with this Agreement. Any special fissionable material transferred under this Agreement shall be low enriched uranium, except as provided in paragraph 5.
2. Sensitive nuclear technology, heavy water production technology, sensitive nuclear facilities, heavy water production facilities and major critical components of such facilities may be transferred under this Agreement pursuant to an amendment to this Agreement. Transfers of dual-use items that could be used in enrichment, reprocessing or heavy water production facilities will be subject to the Parties' respective applicable laws, regulations and license policies.
3. Natural or low enriched uranium may be transferred for use as fuel in reactor experiments and in reactors, for conversion or fabrication, or for such other purposes as may be agreed to by the Parties.
4. The quantity of nuclear material transferred under this Agreement shall be consistent with any of the following purposes: use in reactor experiments or the loading of reactors, the efficient and continuous conduct of such reactor experiments or operation of reactors for their lifetime, use as samples, standards, detectors, and targets, and the accomplishment of other purposes as may be agreed by the Parties.
5. Small quantities of special fissionable material may be transferred

for use as samples, standards, detectors, and targets, and for such other purposes as the Parties may agree.

6. (a) The United States has conveyed its commitment to the reliable supply of fuel to India. Consistent with the July 18, 2005, Joint Statement, the United States has also reaffirmed its assurance to create the necessary conditions for India to have assured and full access to fuel for its reactors. As part of its implementation of the July 18, 2005, Joint Statement the United States is committed to seeking agreement from the U.S. Congress to amend its domestic laws and to work with friends and allies to adjust the practices of the Nuclear Suppliers Group to create the necessary conditions for India to obtain full access to the international fuel market, including reliable, uninterrupted and continual access to fuel supplies from firms in several nations.

(b) To further guard against any disruption of fuel supplies, the United States is prepared to take the following additional steps:

- i) The United States is willing to incorporate assurances regarding fuel supply in the bilateral U.S.-India agreement on peaceful uses of nuclear energy under Section 123 of the U.S. Atomic Energy Act, which would be submitted to the U.S. Congress.
 - ii) The United States will join India in seeking to negotiate with the IAEA an India-specific fuel supply agreement.
 - iii) The United States will support an Indian effort to develop a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactors.
 - iv) If despite these arrangements, a disruption of fuel supplies to India occurs, the United States and India would jointly convene a group of friendly supplier countries to include countries such as Russia, France and the United Kingdom to pursue such measures as would restore fuel supply to India.
- (c) In light of the above understandings with the United States, an India-specific safeguards agreement will be negotiated between India and the IAEA providing for safeguards to guard against withdrawal of safeguarded nuclear material from civilian use at any time as well as providing for corrective

measures that India may take to ensure uninterrupted operation of its civilian nuclear reactors in the event of disruption of foreign fuel supplies. Taking this into account, India will place its civilian nuclear facilities under India-specific safeguards in perpetuity and negotiate an appropriate safeguards agreement to this end with the IAEA.

ARTICLE 6 - NUCLEAR FUEL CYCLE ACTIVITIES

In keeping with their commitment to full civil nuclear cooperation, both Parties, as they do with other states with advanced nuclear technology, may carry out the following nuclear fuel cycle activities:

- i) Within the territorial jurisdiction of either Party, enrichment up to twenty percent in the isotope 235 of uranium transferred pursuant to this Agreement, as well as of uranium used in or produced through the use of equipment so transferred, may be carried out.
- ii) Irradiation within the territorial jurisdiction of either Party of Plutonium, uranium-233, high enriched uranium and irradiated nuclear material transferred pursuant to this Agreement or used in or produced through the use of non-nuclear material, nuclear material or equipment so transferred may be carried out.
- iii) With a view to implementing full civil nuclear cooperation as envisioned in the Joint Statement of the Parties of July 18, 2005, the Parties grant each other consent to reprocess or otherwise alter in form or content nuclear material transferred pursuant to this Agreement and nuclear material and by-product material used in or produced through the use of nuclear material, non-nuclear material, or equipment so transferred. To bring these rights into effect, India will establish a new national reprocessing facility dedicated to reprocessing safeguarded nuclear material under IAEA safeguards and the Parties will agree on arrangements and procedures under which such reprocessing or other alteration in form or content will take place in this new facility. Consultations on arrangements and procedures will begin within six months of a request by either Party and will be concluded within one year. The Parties agree on the application of IAEA safeguards to all facilities concerned with the above activities. These arrangements and procedures shall include provisions with respect to physical protection standards set out in Article 8, storage standards set out in Article 7, and environmental

protections set forth in Article 11 of this Agreement, and such other provisions as may be agreed by the Parties. Any special fissionable material that may be separated may only be utilized in national facilities under IAEA safeguards.

- iv) Post-irradiation examination involving chemical dissolution or separation of irradiated nuclear material transferred pursuant to this Agreement or irradiated nuclear material used in or produced through the use of non-nuclear material, nuclear material or equipment so transferred may be carried out.

ARTICLE 7 - STORAGE AND RETRANSFERS

1. Plutonium and uranium 233 (except as either may be contained in irradiated fuel elements), and high enriched uranium, transferred pursuant to this Agreement or used in or produced through the use of material or equipment so transferred, may be stored in facilities that are at all times subject, as a minimum, to the levels of physical protection that are set out in IAEA document INFCIRC 225/REV 4 as it may be revised and accepted by the Parties. Each Party shall record such facilities on a list, made available to the other Party. A Party's list shall be held confidential if that Party so requests. Either Party may make changes to its list by notifying the other Party in writing and receiving a written acknowledgement. Such acknowledgement shall be given no later than thirty days after the receipt of the notification and shall be limited to a statement that the notification has been received. If there are grounds to believe that the provisions of this sub-Article are not being fully complied with, immediate consultations may be called for. Following upon such consultations, each Party shall ensure by means of such consultations that necessary remedial measures are taken immediately. Such measures shall be sufficient to restore the levels of physical protection referred to above at the facility in question. However, if the Party on whose territory the nuclear material in question is stored determines that such measures are not feasible, it will shift the nuclear material to another appropriate, listed facility it identifies.
2. Nuclear material, non-nuclear material, equipment, components, and information transferred pursuant to this Agreement and any special fissionable material produced through the use of nuclear material, non-nuclear material or equipment so transferred shall not be transferred or re-transferred to unauthorized persons or, unless the

Parties agree, beyond the recipient Party's territorial jurisdiction.

ARTICLE 8 - PHYSICAL PROTECTION

1. Adequate physical protection shall be maintained with respect to nuclear material and equipment transferred pursuant to this Agreement and nuclear material used in or produced through the use of nuclear material, non-nuclear material or equipment so transferred.
2. To fulfill the requirement in paragraph 1, each Party shall apply measures in accordance with (i) levels of physical protection at least equivalent to the recommendations published in IAEA document INFCIRC/225/Rev.4 entitled "The Physical Protection of Nuclear Material and Nuclear Facilities," and in any subsequent revisions of that document agreed to by the Parties, and (ii) the provisions of the 1980 Convention on the Physical Protection of Nuclear Material and any amendments to the Convention that enter into force for both Parties.
3. The Parties will keep each other informed through diplomatic channels of those agencies or authorities having responsibility for ensuring that levels of physical protection for nuclear material in their territory or under their jurisdiction or control are adequately met and having responsibility for coordinating response and recovery operations in the event of unauthorized use or handling of material subject to this Article. The Parties will also keep each other informed through diplomatic channels of the designated points of contact within their national authorities to cooperate on matters of out-of-country transportation and other matters of mutual concern.
4. The provisions of this Article shall *be* implemented in such a manner as to avoid undue interference in the Parties' peaceful nuclear activities and so as to be consistent with prudent management practices required for the safe and economic conduct of their peaceful nuclear programs.

ARTICLE 9 - PEACEFUL USE

Nuclear material, equipment and components transferred pursuant to this Agreement and nuclear material and by-product material used in or produced through the use of any nuclear material, equipment, and components so transferred shall not be used by the recipient Party for any

nuclear explosive device, for research on or development of any nuclear explosive device or for any military purpose.

ARTICLE 10 - IAEA SAFEGUARDS

1. Safeguards will be maintained with respect to all nuclear materials and equipment transferred pursuant to this Agreement, and with respect to all special fissionable material used in or produced through the use of such nuclear materials and equipment, so long as the material or equipment remains under the jurisdiction or control of the cooperating Party.
2. Taking into account Article 5.6 of this Agreement, India agrees that nuclear material and equipment transferred to India by the United States of America pursuant to this Agreement and any nuclear material used in or produced through the use of nuclear material, non-nuclear material, equipment or components so transferred shall be subject to safeguards in perpetuity in accordance with the India-specific Safeguards Agreement between India and the IAEA [*identifying data*] and an Additional Protocol, when in force.
3. Nuclear material and equipment transferred to the United States of America pursuant to this Agreement and any nuclear material used in or produced through the use of any nuclear material, non-nuclear material, equipment, or components so transferred shall be subject to the Agreement between the United States of America and the IAEA for the application of safeguards in the United States of America, done at Vienna November 18, 1977, which entered into force on December 9, 1980, and an Additional Protocol, when in force.
4. If the IAEA decides that the application of IAEA safeguards is no longer possible, the supplier and recipient should consult and agree on appropriate verification measures.
5. Each Party shall take such measures as are necessary to maintain and facilitate the application of IAEA safeguards in its respective territory provided for under this Article.
6. Each Party shall establish and maintain a system of accounting for and control of nuclear material transferred pursuant to this Agreement and nuclear material used in or produced through the use of any material, equipment, or components so transferred. The procedures applicable to India shall be those set forth in the India-specific

Safeguards Agreement referred to in Paragraph 2 of this Article.

7. Upon the request of either Party, the other Party shall report or permit the IAEA to report to the requesting Party on the status of all inventories of material subject to this Agreement.
8. The provisions of this Article shall be implemented in such a manner as to avoid hampering, delay, or undue interference in the Parties' peaceful nuclear activities and so as to be consistent with prudent management practices required for the safe and economic conduct of their peaceful nuclear programs.

ARTICLE 11 - ENVIRONMENTAL PROTECTION

The Parties shall cooperate in following the best practices for minimizing the impact on the environment from any radioactive, chemical or thermal contamination arising from peaceful nuclear activities under this Agreement and in related matters of health and safety.

ARTICLE 12 - IMPLEMENTATION OF THE AGREEMENT

1. This Agreement shall be implemented in a manner designed:
 - a) to avoid hampering or delaying the nuclear activities in the territory of either Party;
 - b) to avoid interference in such activities;
 - c) to be consistent with prudent management practices required for the safe conduct of such activities; and
 - d) to take full account of the long term requirements of the nuclear energy programs of the Parties.
2. The provisions of this Agreement shall not be used to:
 - a) secure unfair commercial or industrial advantages or to restrict trade to the disadvantage of persons and undertakings of either Party or hamper their commercial or industrial interests, whether international or domestic;
 - b) interfere with the nuclear policy or programs for the promotion of the peaceful uses of nuclear energy including research and development; or

- c) impede the free movement of nuclear material, non nuclear material and equipment supplied under this Agreement within the territory of the Parties.
3. When execution of an agreement or contract pursuant to this Agreement between Indian and United States organizations requires exchanges of experts, the Parties shall facilitate entry of the experts to their territories and their stay therein consistent with national laws, regulations and practices. When other cooperation pursuant to this Agreement requires visits of experts, the Parties shall facilitate entry of the experts to their territory and their stay therein consistent with national laws, regulations and practices.

ARTICLE 13-CONSULTATIONS

1. The Parties undertake to consult at the request of either Party regarding the implementation of this Agreement and the development of further cooperation in the field of peaceful uses of nuclear energy on a stable, reliable and predictable basis. The Parties recognize that such consultations are between two States with advanced nuclear technology, which have agreed to assume the same responsibilities and practices and acquire the same benefits and advantages as other leading countries with advanced nuclear technology.
2. Each Party shall endeavor to avoid taking any action that adversely affects cooperation envisaged under Article 2 of this Agreement. If either Party at any time following the entry into force of this Agreement does not comply with the provisions of this Agreement, the Parties shall promptly hold consultations with a view to resolving the matter in a way that protects the legitimate interests of both Parties, it being understood that rights of either Party under Article 16.2 remain unaffected.
3. Consultations under this Article may be carried out by a Joint Committee specifically established for this purpose. A Joint Technical Working Group reporting to the Joint Committee will be set up to ensure the fulfillment of the requirements of the Administrative Arrangements referred to in Article 17.

ARTICLE 14 - TERMINATION AND CESSATION OF COOPERATION

1. Either Party shall have the right to terminate this Agreement prior to

its expiration on one year's written notice to the other Party. A Party giving notice of termination shall provide the reasons for seeking such termination. The Agreement shall terminate one year from the date of the written notice, unless 'the notice has been withdrawn by the providing Party in writing prior to the date of termination.

2. Before this Agreement is terminated pursuant to paragraph 1 of this Article, the Parties shall consider the relevant circumstances and promptly hold consultations, as provided in Article 13, to address the reasons cited by the Party seeking termination. The Party seeking termination has the right to cease further cooperation under this Agreement if it determines that a mutually acceptable resolution of outstanding issues has not been possible or cannot be achieved through consultations. The Parties agree to consider carefully the circumstances that may lead to termination or cessation of cooperation. They further agree to take into account whether the circumstances that may lead to termination or cessation resulted from a Party's serious concern about a changed security environment or as a response to similar actions by other States which could impact national security.
3. If a Party seeking termination cites a violation of this Agreement as the reason for notice for seeking termination, the Parties shall consider whether the action was caused inadvertently or otherwise and whether the violation could be considered as material. No violation may be considered as being material unless corresponding to the definition of material violation or breach in the Vienna Convention on the Law of Treaties. If a Party seeking termination cites a violation of an IAEA safeguards agreement as the reason for notice for seeking termination, a crucial factor will be whether the IAEA Board of Governors has made a finding of non-compliance.
4. Following the cessation of cooperation under this Agreement, either Party shall have the right to require the return by the other Party of any nuclear material, equipment, non-nuclear material or components transferred under this Agreement and any special fissionable material produced through their use. A notice by a Party that is invoking the right of return shall be delivered to the other Party on or before the date of termination of this Agreement. The notice shall contain a statement of the items subject to this Agreement as to which the Party is requesting return. Except as provided in provisions of Article

16.3, all other legal obligations pertaining to this Agreement shall cease to apply with respect to the nuclear items remaining on the territory of the Party concerned upon termination of this Agreement.

5. The two Parties recognize that exercising the right of return would have profound implications for their relations. If either Party seeks to exercise its right pursuant to paragraph 4 of this Article, it shall, prior to the removal from the territory or from the control of the other Party of any nuclear items mentioned in paragraph 4, undertake consultations with the other Party. Such consultations shall give special consideration to the importance of uninterrupted operation of nuclear reactors of the Party concerned with respect to the availability of nuclear energy for peaceful purposes as a means of achieving energy security. Both Parties shall take into account the potential negative consequences of such termination on the on-going contracts and projects initiated under this Agreement of significance for the respective nuclear programmes of either Party.
6. If either Party exercises its right of return pursuant to paragraph 4 of this Article, it shall, prior to the removal from the territory or from the control of the other Party, compensate promptly that Party for the fair market value thereof and for the costs incurred as a consequence of such removal. If the return of nuclear items is required, the Parties shall agree on methods and arrangements for the return of the items, the relevant quantity of the items to be returned, and the amount of compensation that would have to be paid by the Party exercising the right to the other Party.
7. Prior to return of nuclear items, the Parties shall satisfy themselves that full safety, radiological and physical protection measures have been ensured in accordance with their existing national regulations and that the transfers pose no unreasonable risk to either Party, countries through which the nuclear items may transit and to the global environment and are in accordance with existing international regulations.
8. The Party seeking the return of nuclear items shall ensure that the timing, methods and arrangements for return of nuclear items are in accordance with paragraphs 5, 6 and 7. Accordingly, the consultations between the Parties shall address mutual commitments as contained in Article 5.6. It is not the purpose of the provisions of this Article

regarding cessation of cooperation and right of return to derogate from the rights of the Parties under Article 5.6.

9. The arrangements and procedures concluded pursuant to Article 6(iii) shall be subject to suspension by either Party in exceptional circumstances, as defined by the Parties, after consultations have been held between the Parties aimed at reaching mutually acceptable resolution of outstanding issues, while taking into account the effects of such suspension on other aspects of cooperation under this Agreement.

ARTICLE 15 - SETTLEMENT OF DISPUTES

Any dispute concerning the interpretation or implementation of the provisions of this Agreement shall be promptly negotiated by the Parties with a view to resolving that dispute.

ARTICLE 16 - ENTRY INTO FORCE AND DURATION

1. This Agreement shall enter into force on the date on which the Parties exchange diplomatic notes informing each other that they have completed all applicable requirements for its entry into force.
2. This Agreement shall remain in force for a period of 40 years. It shall continue in force thereafter for additional periods of 10 years each. Each Party may, by giving 6 months written notice to the other Party, terminate this Agreement at the end of the initial 40 year period or at the end of any subsequent 10 year period.
3. Notwithstanding the termination or expiration of this Agreement or withdrawal of a Party from this Agreement, Articles 5.6(c), 6, 7, 8, 9, 10 and 15 shall continue in effect so long as any nuclear material, non-nuclear material, by-product material, equipment or components subject to these articles remains in the territory of the Party concerned or under its jurisdiction or control anywhere, or until such time as the Parties agree that such nuclear material is no longer usable for any nuclear activity relevant from the point of view of safeguards.
4. This Agreement shall be implemented in good faith and in accordance with the principles of international law.
5. The Parties may consult, at the request of either Party, on possible amendments to this Agreement. This Agreement may be amended if the Parties so agree. Any amendment shall enter into force on the

date on which the Parties exchange diplomatic notes informing each other that their respective internal legal procedures necessary for the entry into force have been completed.

ARTICLE 17 - ADMINISTRATIVE ARRANGEMENT

1. The appropriate authorities of the Parties shall establish an Administrative Arrangement in order to provide for the effective implementation of the provisions of this Agreement.
2. The principles of fungibility and equivalence shall apply to nuclear material and non-nuclear material subject to this Agreement. Detailed provisions for applying these principles shall be set forth in the Administrative Arrangement.
3. The Administrative Arrangement established pursuant to this Article may be amended by agreement of the appropriate authorities of the Parties.

IN WITNESS WHEREOF the undersigned, being duly authorized, have signed this Agreement.

DONE at, this day of , 200 , in duplicate.

FOR THE GOVERNMENT
OF INDIA:

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

AGREED MINUTE

During the negotiation of the Agreement for Cooperation Between the Government of India and the Government of the United States of America Concerning Peaceful Uses of Nuclear Energy ("the Agreement") signed today, the following understandings, which shall be an integral part of the Agreement, were reached.

Proportionality

For the purposes of implementing the rights specified in Articles 6 and 7 of the Agreement with respect to special fissionable material and by-product material produced through the use of nuclear material and non-nuclear material, respectively, transferred pursuant to the Agreement and not used in or produced through the use of equipment transferred pursuant to the Agreement, such rights shall in practice be applied to that proportion of special fissionable material and by-product material produced that

represents the ratio of transferred nuclear material and non-nuclear material, respectively, used in the production of the special fissionable material and byproduct material to the total amount of nuclear material and non-nuclear material so used, and similarly for subsequent generations.

By-product material

The Parties agree that reporting and exchanges of information on by-product material subject to the Agreement will be limited to the following:

- (1) Both Parties would comply with the provisions as contained in the IAEA document GOV/1999/19/Rev.2, with regard to by-product material subject to the Agreement.
- (2) With regard to tritium subject to the Agreement, the Parties will exchange annually information pertaining to its disposition for peaceful purposes consistent with Article 9 of this Agreement.

FOR THE GOVERNMENT
OF INDIA:

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

* * * * *

084. President Bush's statement on the conclusion of talks on nuclear energy cooperation.

Washington (D. C), July 27, 2007.

I welcome the conclusion of negotiations on a bilateral agreement between the United States and India for peaceful nuclear cooperation. I commend those from both countries who have worked hard to make this deal happen, and I look forward to working with Congress to realize this important initiative. This marks another step in the continued progress that is deepening our Strategic Partnership with India, a vital world leader

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085. Joint Statement issued at the end of talks between External Affairs Minister Pranab Mukherjee and U. S Secretary of State Dr. Condoleezza Rice regarding the India and United States Civil Nuclear Negotiations.

Washington, July 27, 2007.

The United States and India have reached a historic milestone in their strategic partnership by completing negotiations on the bilateral agreement for peaceful nuclear cooperation, also known as the "123 agreement." This agreement will govern civil nuclear trade between our two countries and open the door for American and Indian firms to participate in each other's civil nuclear energy sector.

The conclusion of negotiations on this agreement marks a major step forward in fulfilling the promise of full civil nuclear cooperation as envisioned by President Bush and Prime Minister Manmohan Singh.

The successful completion of the text permits us to move forward on the U.S.-India Civil Nuclear Cooperation initiative, first announced by the two leaders on July 18, 2005, and reaffirmed on March 2, 2006. The next steps include India negotiating a safeguards agreement with the IAEA and support for nuclear trade with India from the forty-five member Nuclear Suppliers Group. Once these additional actions have been completed, President Bush will submit the text of the agreement to the U.S. Congress for final approval.

Civil nuclear cooperation between the United States and India will offer enormous strategic and economic benefits to both countries, including enhanced energy security, a more environmentally-friendly energy source, greater economic opportunities, and more robust nonproliferation efforts.

This achievement reinforces the growing bilateral relationship between two vibrant democracies. We are committed to the strategic partnership outlined by President Bush and Prime Minister Manmohan Singh, and look forward to working together to implement this historic initiative.



086. Press Release issued by the Ministry of External Affairs giving Fact Sheet on the India - US Civil Nuclear Energy Co-operation: Conclusion of the '123' Agreement.

New Delhi, July 27, 2007.

Joint Statement of July 18, 2005

India and the US announced that they would co-operate in civil nuclear energy in the Joint Statement of July 18, 2005 by PM and President Bush during the visit of PM to Washington.

Understanding

It was envisaged that the United States would adjust its laws and policies and work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India. Reciprocally, India committed itself to identifying and separating civilian and military nuclear facilities in a phased manner, placing voluntarily its civilian nuclear facilities under IAEA safeguards, signing an Additional Protocol and continuing India's voluntary and unilateral moratorium on nuclear testing.

Separation Plan and Passage of Enabling Legislation by the US

To implement this, several important steps have been completed already: a Separation Plan was agreed to at the time of President Bush's visit to India in March 2006. This was followed by the passage of the enabling legislation in the US Congress, exempting the requirement, vide Section 123(a) (2) of the US Atomic Energy Act of full-scope safeguards as a condition for civil nuclear cooperation with India. The US Congress passed the legislation with bipartisan majority support. This cleared the way for the next important step - of concluding a bilateral agreement on peaceful uses of nuclear energy to implement the understandings of July 2005 and March 2006.

Negotiations

Five rounds of negotiations took place between June 2006 and July, 2007. The objective of the negotiations was to incorporate into a legal agreement the political understandings and commitments of July 2005 and March 2006 and the terms and basic principles listed out in the statement of Prime Minister in Parliament on August 17, 2006.

Features of the Agreement

- * The Agreement is "between two States possessing advanced nuclear technology, both parties having the same benefits and advantages".
- * The purpose of the agreement is to enable full civil nuclear energy cooperation between India and the United States. The Agreement provides for full civil nuclear energy cooperation covering nuclear reactors and aspects of the associated nuclear fuel cycle including enrichment and reprocessing.
- * The Agreement contains a full reflection of the March 2, 2006 supply assurances, and the provision for corrective measures. The Agreement provides for the development of a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactors.
- * The Agreement provides for nuclear trade, transfer of nuclear material, equipment, components, and related technologies and for cooperation in nuclear fuel cycle activities.
- * The Agreement provides for the application of IAEA safeguards to transferred material and equipment.
- * transfer nuclear material and its products. To bring this into effect, India will establish a national reprocessing facility to reprocess IAEA safeguarded nuclear material and the parties will agree on arrangements and procedures within one year.

Significance

As finalized the Agreement meets the concerns of both sides and fulfils all the assurances made by Prime Minister to Parliament on August 17, 2006 including three basic principles - that the Agreement will specifically provide that India's strategic nuclear programme, three-stage Nuclear Programme and R&D activities will remain unhindered and unaffected.

The conclusion of the Agreement to the mutual satisfaction of both governments is symbolic of the transformed nature of the India-US bilateral relationship and an indication of a more intensified engagement in the wide ranging areas that have been identified for our bilateral co-operation including high technology, agriculture, science and technology, space, defence, and global issues of common concern related to the environment, climate change, disaster relief, HIV/AIDS and Avian influenza.

It would help to address the problem of energy deficit that has emerged as one of the primary constraints on accelerating India's growth rate. Presently, only 3% of India's energy needs are met from the nuclear sources. India plans to produce 20,000 MWe from the nuclear sector by 2020, an increase from the current 3,700 MWe.

Increased share of nuclear power in the Indian energy mix will diminish the reliance on fossil fuels and reduce emissions from India. We envisage technology solutions to check growth of emissions (e.g. our membership of the Asia Pacific Clean Development Partnership) and the nuclear industry offers value in that respect.

Next Steps

India will now negotiate an India-specific safeguards agreement with the IAEA. The US will also work with friends and allies in the Nuclear Suppliers' Group (NSG) for an adjustment of their Guidelines to enable the NSG to enter into nuclear co-operation and trade with India as an equal partner¹.

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1. On the 27th July itself the State Department in Washington too issued a Fact Sheet which reads thus: "The United States and India have reached a historic milestone in their strategic partnership by completing negotiations on the bilateral agreement for peaceful nuclear cooperation, also known as the 123 Agreement. This agreement will govern civil nuclear trade between our two countries and open the door for American and Indian firms to participate in each other's civil nuclear energy sector. The completed text of the proposed 123 Agreement is respectful of both the July 18, 2005, and March 2, 2006 Joint Statements issued by President Bush and Prime Minister Singh. In addition, it is consistent with applicable U.S. law.

This agreement, about which the Administration briefed Congress regularly, establishes the framework for full civil nuclear cooperation between the United States and India.

Key features of the agreement:

- Confirms the desire of both countries to engage in full civil nuclear cooperation, including research and development; nuclear safety; and commercial trade in nuclear reactors, technology, and fuel;
- Affirms the fuel supply assurances made to India by President Bush on March 2, 2006, including creating the necessary conditions to allow India access to the international fuel market, and by supporting the creation of an Indian strategic fuel reserve;
- Grants consent to India for certain nuclear fuel cycle activities. In particular, grants consent to reprocessing, with such right being brought into effect by India establishing a new national facility under International Atomic Energy Agency safeguards dedicated to reprocessing safeguarded nuclear material, and our two countries agreeing on arrangements and procedures under which reprocessing will take place;

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- Commits India to appropriate safeguards on all civil nuclear material and equipment subject to the agreement and to assuring that nuclear items subject to the agreement will be used only for peaceful purposes, including through a reaffirmation of India's commitments to safeguards in perpetuity;
 - Reinforces the commitment of both countries to global nonproliferation efforts;
 - Preserves the rights of both countries to terminate cooperation and request the return of transferred items under appropriate circumstances; and
 - Creates the legal basis for the United States to be a stable, reliable, and predictable supplier for India's civil nuclear energy market.
The conclusion of negotiations on the 123 agreement opens the door for the completion of the remaining steps in the broader U.S.-India Civil Nuclear Cooperation Initiative.

These steps include:

- Conclusion of a safeguards agreement between India and the International Atomic Energy Agency applicable to India's separated civil nuclear sector and progress toward an Additional Protocol;
- Achievement of a consensus decision in the Nuclear Suppliers Group to make an India-specific exception to the full-scope safeguards requirement of the Group's export guidelines; and
- Approval of the 123 Agreement by the U.S. Congress.
Civil nuclear cooperation between the United States and India will offer benefits to both of countries' citizens through enhanced energy security, a more environmentally-friendly energy source, greater economic opportunities, and more robust nonproliferation efforts.

087. Joint Press Conference by National Security Advisor M. K. Narayanan, Chairman, Atomic Energy Commission Dr. Anil Kakodkar and Foreign Secretary Shivshankar Menon.

New Delhi, July 27, 2007.

Official Spokesperson: Good evening everybody and welcome to this Joint Press Conference by National Security Advisor, Foreign Secretary and Chairman, Atomic Energy Commission. We will first have opening remarks by the National Security Advisor and thereafter remarks by the Foreign Secretary and then we will open the Press Conference to questions.

National Security Advisor: Ladies and gentlemen of the press: We are happy to inform you that the governments of India and the United States of America have finalized the text of the bilateral agreement for cooperation in peaceful uses of nuclear energy. India and the United States are today issuing a Joint Statement on the conclusion of negotiations on this agreement.

The finalization of the text of this Agreement after five rounds of discussion is a significant milestone in the implementation of Prime Minister Manmohan Singh and President Bush's vision to transform the relationship between India and the United States, which was expressed in the Joint Statements of 18th July 2005 and 2nd March 2006. The commitments expressed in the Joint Statements of 18th July 2005 and 2nd March 2006 have been fully reflected in the final text of the bilateral cooperation agreement.

The purpose of the Agreement is to enable full civil nuclear energy cooperation between India and the United States covering nuclear reactors and aspects of the associated nuclear fuel cycle. The Agreement is between two States possessing advanced nuclear technologies, both parties having the same benefits and advantages. We are confident that the Agreement fulfills the terms outlined by the Prime Minister to Parliament on the 17th of August 2006.

The significance of the Agreement, which has become a touchstone of the transformed bilateral relationship between India and the United States, is that when brought into effect, it will open the way to bilateral cooperation between India and the United States in the area of civil nuclear energy.

The Agreement is also significant in opening the possibility of India cooperating with other countries in the world in civil nuclear energy. We

look forward to this prospect. India regards international civil nuclear cooperation as potentially most important for energy security and for an environmentally sustainable pattern of development. India is ready to work with like-minded countries to fashion a new consensus on non-proliferation and realize the goal of a nuclear weapon-free world through universal nuclear disarmament.

In order to make cooperation in civil nuclear energy a reality, India will now negotiate an India-specific Safeguards Agreement with the IAEA. The India-US bilateral agreement also opens up the possibility of an unconditional exemption for India from the Nuclear Suppliers Group (NSG) Guidelines, as foreseen in the July 18, 2005 Joint Statement.

The text of the Agreement will be made available to the public soon, at a time to be agreed by the two governments.

Foreign Secretary: I will now read to you the Joint Statement by Shri Pranab Mukherjee, Minister for External Affairs; and Dr. Condoleezza Rice, US Secretary of State on India and United States Complete Civil Nuclear Negotiations, July 27, 2007.

"The United States and India have reached a historic milestone in their strategic partnership by completing negotiations on bilateral agreement for peaceful nuclear cooperation, also known as the '123 agreement.' This agreement will govern civil nuclear trade between our two countries and open the door for American and Indian firms to participate in each other's civil nuclear energy sector.

The conclusion of negotiations on this agreement marks a major step forward in fulfilling the promise of full civil nuclear cooperation as envisioned by President Bush and Prime Minister Manmohan Singh.

The successful completion of the text permits us to move forward on the U.S.-India Civil Nuclear Cooperation Initiative, first announced by the two leaders on July 18, 2005, and reaffirmed on March 2, 2006. The next steps include India negotiating a safeguards agreement with the IAEA and support for nuclear trade with India from the forty-five member Nuclear Suppliers Group. Once these additional actions have been completed, President Bush will submit the text of the agreement to the U.S. Congress for final approval.

Civil nuclear cooperation between the United States and India will offer enormous strategic and economic benefits to both countries, including enhanced energy security, a more environmentally-friendly energy source, greater economic opportunities, and more robust nonproliferation efforts.

This achievement reinforces the growing bilateral relationship between two vibrant democracies. We are committed to the strategic partnership outlined by President Bush and Prime Minister Manmohan Singh, and look forward to working together to implement this historic initiative.

Question (Parul Malhotra, CNN-IBN): This is a question for the National Security Advisor. Sir, you have been quoted as saying that the agreement is good but it is not the best that we could have got. What did you mean by that?

National Security Advisor: I said that the agreement is good but there is always something that you can always get better I can see that. I do not know from where you have got the quote unless it is this morning. We negotiated a text and I think the text is an excellent one. I did not want to be too presumptuous enough to say 'the best possible' because in a negotiation there is a certain amount of give and take on both sides. But what we have managed is that we have got all the commitments which our Prime Minister made to Parliament, they are fully safeguarded as far as this text is concerned.

Question (Mathew Rosenberg, Associated Press): How do you think is this agreement going to alter the balance of power in the region?

Foreign Secretary: This is an agreement for cooperation in civil nuclear energy. It is not about the balance of power in the region.

Question (Manish Chand, IANS): Talking of full civilian nuclear cooperation, would it also entail the transfer of technology related to reprocessing, heavy water reduction and enrichment? Also, some scientists have articulated apprehensions¹ that the reprocessing formula that has

1. That the scientists were by and large supportive of the agreement was borne out by the statement issued by them in Mumbai on July 22. Hailing the forward movement in the Indo-U.S. nuclear talks in Washington, they, however cautioned the government against any dilution of the original July 18, 2005 joint statement on full civil nuclear cooperation between the countries. With the U.S. and Indian negotiators reaching an understanding

on an agreement that would operationalise the deal by overcoming contentious issues like reprocessing and fuel supply, the scientists said this was a welcome step as it would end India's decades-old nuclear isolation. M.R. Srinivasan, member of the Atomic Energy Commission and former Chairman of the body, said: "This will end India's nuclear isolation which was always due to U.S. policy." The scientists were sure the move would enable New Delhi to openly negotiate with the world nuclear business community and boost power generation capacity by getting access to nuclear components. According to media reports top Nuclear Power Corporation officials, too hailed the breakthrough and said there was a recognition that India had to go through the "reprocessing mode" for energy production. Though fuel reprocessing was a little expensive, it gave 30 times more energy than conventional nuclear plants, they said. Mr. Srinivasan said the draft 123 Agreement had to be approved by both Governments and parallel steps also had to be taken by India to start negotiations with the International Atomic Energy Agency and the 45-member Nuclear Suppliers' Group. Once the agreement was approved, French and American nuclear businesses, which had been holding talks with the Nuclear Power Corporation, could go ahead with the selection of sites for power plants and other modalities, he said. "All these things will begin rolling once the 123 Agreement's draft, which has to be first reviewed by AEC, goes to the Prime Minister and gets final approval from the Union Cabinet," Mr. Srinivasan said. Mr. Prasad, considered the father of India's reprocessing technology, said the country always had the right to reprocess its spent fuel as the reprocessing plant was set up in 1965, much before the country's first civilian nuclear plant came up at Tarapur with U.S. assistance. On August 30, another group of former scientists at the Bhabha Atomic Research Centre said that the India-U.S. nuclear deal was in the interest of the country. and the agreement should not be hijacked by political parties. "With the country's ever-increasing energy needs and with a view to ending the 33-year-long nuclear isolation, the importance of the deal has to be understood by the people of India and should not be hijacked by the Opposition and the parties supporting the government," the scientists said in a statement. They were unhappy with the Left parties for questioning the integrity of Prime Minister Manmohan Singh over the civilian nuclear agreement. "India-U.S. Cooperation on the Civilian Nuclear Programme and the Agreement is now being called a 'deal' and our Prime Minister is being targeted as if he has made some underhand 'deal' with the U.S.," the statement said. "Some political parties, including ones supporting the government, are doubting the integrity of the Prime Minister and this is a matter of national shame," said the statement signed by A.K. Anand, former Director, Reactor Projects Group and Director Technical Coordination and International Relations Group, and others. "The Opposition is talking of the Hyde Act and saying that if India carries out a nuclear test in future, all nuclear cooperation will end. But we do not even know if at all and when, in the distant future, a test will be required by the nation," it said. The statement, which has been widely circulated among the nuclear scientists and industries, pointed out that the whole agreement is about the civilian nuclear cooperation and in no way would it hamper the weapons programme. "Our weapons programme will continue as it always has been, with our own reactors, reprocessing plants, enrichment plants and heavy water plants. We are not going to be giving the design and technology to any one; why, then are we pointing out that the U.S. will not give these technologies as part of the civilian agreement?" Dwelling on the past tests and India's strengths, they said, "We had been isolated because of sanctions since 1974. The DAE [Department of Atomic Energy] scientists, engineers and technologists took up the challenge and after more than 30 years' efforts have brought the nation to this stage of strength and pride which has made the western countries shake hands with us." The politicians should not think about scuttling the whole process of integration, they added. "But after all the recognition, why should we go back to isolation as we fear that future isolation may be more severe," they cautioned.

been worked, that is setting a safeguarded facility, will expose the three-stage programme to international surveillance? What do you make out of that? The first question can be answered by Dr. Kakodkar.

Chairman, Atomic Energy Commission: The objective of setting out this civil nuclear cooperation is to make sure that we benefit not only from the reactor and the fuel supplies that we get from outside, but also continue to benefit in terms of the enormous additional energy potential that would be there in the spent fuel. For that purpose this agreement gives advance consent rights for us to reprocess the spent fuel and reuse the material so recovered in national safeguarded facilities. So, as you can see, it allows us to derive the full benefit out of the cooperation. With regard to the domestic three-stage nuclear power programme, I think that is independent. That will be pursued in accordance with our own national programme and there is no interference of one into another.

National Security Advisor: I might just add, I presume that the question was whether the fast breeder programme would be interfered with. As the Chairman of the Atomic Energy Commission has just stated very explicitly, the fast breeder programme at the moment is not under any kind of international obligations.

Question: This is a question for either FS or NSA. Looking forward to the process of getting NSG exemption, what kind of assurances does India have so far and particularly what do you expect China's position to be on this?

Foreign Secretary: I think it is a little premature because we have not actually asked the question of individual countries. So far we have briefed them about what we were hoping to do but without a finalized 123 agreement. We had not actually gone to any of these countries and asked, "What will you do if we ask that question?" Now that we have a finalized text, I think we and the US will be briefing the members of the NSG and then I think we will be in a position to give you a response about individual countries, where they might stand, what they do, etc.

Question (Rajeev Sharma, *The Tribune*): My question is to NSA. I believe that in the text there is no reference to India conducting future tests¹. If that

1. On August 3 the United States Under Secretary of State Nicholas Burns questioned in Washington by journalists whether India would have the right to explode a nuclear device, said New Delhi would have the "sovereign right," but he hoped that such a situation would not arise."It is hard to deal in hypotheticals because they are very far from the

were to happen whenever it happens, will there be a Presidential waiver? Is the Indian scientific community on board? The second question may probably be answered by Dr. Kakodkar.

National Security Advisor: This deal deals primarily with the civil nuclear cooperation. There is no reference here to detonation or to any test. So, what happens in the event of a test, we will come to that position later on. This one is with regard to civil nuclear cooperation. Both sides are agreed on what they need to do in terms of policy guidelines. If India decides that it has to test, I think Article 14 carries a whole multilayered thing on what we need to do. But as of now there is no particular reference to testing or non-testing as far as this.

Chairman, Atomic Energy Commission: The point is, this finalized draft of this agreement allows us to carry on with the domestic programme that includes both domestic three-stage programme, domestic R&D and of course the strategic programme. It allows us to also carry on the civil nuclear programme which is eligible for international cooperation. I think the rest is too speculative in the sense that would be decided at different points of time.

Question (Seema Sirohi, *Outlook*): Dr. Kakodkar, Sir, are you satisfied with the text of the 123 agreement?

Chairman, Atomic Energy Commission: Yes

Question (Jyoti Malhotra, *The Telegraph*): Dr. Kakodkar, you were quite

reality of the situations. The reality is that India is not in a situation where it is currently testing." But if there is a nuclear test, then American law says the U.S. President would have to decide whether or not to ask for fuel and technology back, Mr. Burns said. "We have preserved that legal right in our law. But it is a choice; it is not automatic," said Mr. Burns. Asked if the Right of Return was exercised what was that America could ask for, he said: "It is very hard to say without knowing the specifics of what happened, why it happened and how. But the legal right to do something has been protected." Mr. Burns explained that four specific fuel assurances that President George W. Bush made to Prime Minister Manmohan Singh on March 2, 2006 had been written verbatim in the Hyde Act. These were "assurances from our Government to the Government of India that we will, as its partner, help it to provide for a continuous supply of nuclear fuel to its power reactors," he said. One of the assurances is that the U.S. will help India create a multilateral reserve of fuel. "We suggest that India can work with the IAEA. This makes sense for any country that would want to have a continuous supply of fuel to power reactors." But this did not obviate the fact that both countries have laws that they lived up to. "One of our laws is the Atomic Energy Act and we have preserved the ability of any future President to fulfil his or her legal obligation under it," Mr. Burns added.

unhappy and you made it very clear in the public eye, in the media that you were very unhappy in the past by the way negotiations were going. So, specifically on the issues that you have discussed in the last week in Washington, - whether to do with reprocessing fuel, supply assurances, testing - are you satisfied with the deal that you have got with the Americans today?

Chairman, Atomic Energy Commission: The point is simple. Whatever I had said earlier was a part of the national position; whatever I am saying now is also a part of the national position; and whatever this agreement has achieved is also consistent with the national position. So, I have no reason to be unhappy.

Question (Jyoti Malhotra, *The Telegraph*): You have not answered the question about testing and reprocessing. Can you explain to us what India has got on these issues?

Chairman, Atomic Energy Commission: I explained that in detail earlier I thought. The benefit of the civil nuclear cooperation starting from the first reactor, which would come all the way into making use of the spent fuel arising out of such imported fuel and reactors through reprocessing into reuse in other safeguarded reactors. All that is provided for in this agreement. This is what exactly we are looking for as far as the full civilian nuclear cooperation. So, it is there. I was very unhappy when I thought it will not be there but it is there.

Question (Sidharth Varadarajan, *The Hindu*): I understand that the 123 agreement does not commit the United States to selling India technology and components for reprocessing, enrichment, heavy water. Is it our understanding that the United States will not block the Nuclear Suppliers Group from authorizing the export of such components as figured in the trigger list of the NSG? Secondly, my understanding of the manner in which the fuel supplies and the continuation operation of reactors have been immunized in the event of a test is that there is a mechanism for replacing any fuel supplies that the US may want return with fuel supplies from friendly countries. Would such a mechanism be possible if the NSG adopts as part of its rule change, the cessation of cooperation in the event of another Indian nuclear test because the first American draft of the NSG rule change last March has one of the conditions that this entire exemption for India is dependent on the six commitments India have made, one of which is continuing the moratorium.

Foreign Secretary: I think it is our expectation and we will work towards

an unconditional NSG exemption from the guidelines for India. As far as we are concerned, we think that fuel supply assurances that we have got, many of which were expressed in public in March 2, 2006 in the Joint Statement, stand and will be carried out in practice. That is our expectation. So, to the extent that you are asking what if the NSG does something or the other, frankly that is hypothetical. What we are looking at is an unconditional, clean NSG exemption. That is what we will work for. On the transfer of technology, maybe I should hand you over to the Chairman.

Chairman, Atomic Energy Commission: As I mentioned, any civil nuclear programme has the reactor activity and the fuel cycle activity. Now, this agreement would, as I said, allow us to derive full benefit out of the reactor and associated fuel cycle activities as a kind of uninterrupted chain. You also know that India has its own full capability in all areas. So, what is important is that we are able to derive full benefit out of whatever cooperation we get from outside and we do not have any issues left in terms of not knowing what will happen to spent fuel and things like that. So, it is fully provided for.

National Security Advisor: If I might just amplify what the Foreign Secretary was saying, I think this agreement contains a full reflection of the March 2, 2006 supply assurances. I think there has been no derogation of those rights. If companies are going to come up with something new, as the Foreign Secretary said, we will deal with it at that time. As of now, the text contains, as I said, the assurances that are contained with regard to fuel supplies in the March 2006 are repeated in full in this agreement.

Question (Jo Johnson, *Financial Times*): By allowing India to import fuel, does this agreement not free up indigenous nuclear fuel supplies for use in India's strategic weapons programme and thereby contribute to the nuclear arms race in South Asia and therefore affect the balance of power in the region?

National Security Advisor: I think it is time that certain countries overcame the belief that we are interested in proliferation. I would make use of this opportunity to drive home this point. If we need additionalities as far as our strategic stockpile is concerned, we know how to do it. We did not need to use this route for that purpose. I think it is important to understand that. We do not wish to enter into a debate on this issue. This agreement was intended primarily to drive the civil nuclear cooperation programme. I believe that the text that has been finalized opens that possibility. We are not using it

as an excuse to enhance our strategic capabilities. The earlier countries forget that, I think the better.

Question (Rakesh Kapur, *Punjab Kesari*): The question is for Mr. Narayanan. The whole deal has been done under the ambit of the Hyde Act which empowers the President of the US to snap the deal the day India conducts the nuclear explosion? Have we mortgaged our right to conduct nuclear explosion in Washington?

National Security Advisor: We have not mortgaged any right. If anything, we have enhanced our rights. I do not think I need to say anything further on the subject.

Question: The question is to the National Security Advisor. You have said that all concerns have been reflected in the deal. Now recently, very recently about 23 US Congressmen led by Democrat Edward Burke have written a letter to President Bush saying that if the 123 agreement has been intensely negotiated it seems to be bypassing the US law and the will of the Congress. In that case, the deal maybe heading to be in jeopardy. Do not you see this to be heading for yet another stumbling block?

National Security Advisor: We and the US Administration have arrived at an agreement. I think the negotiators on both sides understand the limits of the law, the limits of flexibility and how far we can go. In doing this, and to answer the first question that Parul made, the question is the best deal that we could get could have very well have other problems, but we have got a deal, a very good deal which we believe should meet the legal requirements of both countries. Now I cannot speak on behalf of individual Senators or Congressmen in this matter because we dealt with US Administration and I think they know the limits of where they can go.

Question (Amit Baruah, *The Hindustan Times*): My question is to Foreign Secretary Menon. External Affairs Minister Pranab Mukherjee goes for the ASEAN Regional Forum meeting in just a few days. Will he take this opportunity to engage a large number of Foreign Ministers including the Minister from China on the civil nuclear deal?

Foreign Secretary: Certainly. This will now be a topic in several of our conversations with those countries which are concerned with this issue. I am not sure as to which of the NSG members he is meeting at the ARF. I know he has a very detailed schedule and they are trying to set up a meeting between the Foreign Minister of China and EAM. Certainly this is one of the issues which we will raise. We will inform our friends of what has

occurred, what we just informed you about, and about how we plan to take this forward in the future.

Question (Seema Mustafa, *Asian Age*): I will go back to an issue that was raised earlier. The Hyde Act very clearly says that if India was to detonate a nuclear device, all nuclear cooperation will cease. Has any corrective measure been brought into the 123 agreement regarding this and also uninterrupted fuel supply?

Foreign Secretary: I think that question has been answered. This is an agreement between two Governments. It means the concerns of the two Governments and those Governments operate within their own laws. It is for them to understand whether this agreement meets their laws or not. It is not for us to interpret their laws, or for them to interpret ours. This agreement as a finalized text meets the concerns of both sides and serves the interests of both sides.

Question (Rahul Bedi, *Jane's Defence Weekly*): My question is to the National Security Advisor. We are all familiar with the American adage that there is no free lunch. My question, what are the Americans getting out of this? Is this predicated to a lot of arms contracts that are up for bidding because there have been a series of reports in newspapers that the Americans stand to gain a vast sum of money in contracts not only in the nuclear field but also in the weaponry.

National Security Advisor: I will say this and then I will ask Foreign Secretary to amplify what I have to say. Quite clearly in the course of our negotiations there was no reference to arms deals or any other extraneous considerations. I think the five days that we spent in Washington, we spent primarily on the text of what we need to. As the Foreign Secretary just mentioned, it took us a lot of time to reconcile the requirements on either side in keeping with their national legislations and national requirements. Quite clearly I would presume that the outcome would be a transformed relationship, the transformed relationship would then lead to areas of cooperation. But quite clearly we are not here to indicate that this will lead to A, B and C. I know what you are referring to. If the new contracts for the 126 aircraft is going to come. I suppose they would have been in the race irrespective of whether there was the 123 agreement or not. We have never kept countries captive to deals of this kind. This is an open transparent effort. As far as I am concerned, I have not seen any evidence of a deal that give us the 123 and we will give you something.

Question (Rahul Bedi, *Jane's Defence Weekly*): What are the Americans getting out of this deal?

Foreign Secretary: I think (you) should ask the Americans that. Let them speak for themselves. They are quite articulate. But the simple answer to your question is there are no conditionalities. This is an agreement for cooperation in civil nuclear energy. That is what it is. That is all there is. We did not negotiate anything else with it.

Question (R. Ramachandran, *Frontline*): I would like to know from Dr. Kakodkar as to what is the current status of implementation of safeguards on the safeguarded facilities with the IAEA. What is the status of negotiations on the additional protocol? Is there any move at the NSG contingent upon conclusion of the draft agreement?

Chairman, Atomic Energy Commission: We have had a number of discussions with IAEA on the India-specific Safeguards Agreement. With the finalization of the text we will carry that process forward and sort of try to negotiate this India-specific safeguards agreement further. The question of an additional protocol, we will take up later in sequence. First we have to get the safeguards agreement in place.

Question: Whether US tendency is contingent upon completion of the draft...Any move at the NSG?

Chairman, Atomic Energy Commission: We have to find out from the NSG.

Question (Srinjoy Choudhary, *Times Now*): Question for NSA. Sir, how convinced are the Left and the Opposition about the deal? You have met them already. How much in agreement are they with the Government's position?

National Security Advisor: Srinjoy, you always try to be smart. We have met the Left and we have met the members of the NDA. We have explained to them in great detail as to where we stood. They have indicated that they would like to see the text before they pass judgment. That is the point. But the impression we got from the discussion was that at least from what we discussed with them they were particularly satisfied. I think they were more than satisfied because I think we left most of the talking to Dr. Kakodkar. That carried credibility which I hope will be carried across board here also because I think if the nuclear community is on board, I think that should make everybody comfortable as to where we are.

Question (Somini Sengupta, *New York Times*): Can you characterize how good a deal is this for India; and if you did not get everything that you wanted what would that possibly be? This is for the NSA.

National Security Advisor: I think you should address this to Dr. Kakodkar. It was mentioned. I think Siddharth Varadarajan who reads not only between the lines but beyond the lines, also in these matters. Yes, we would have liked some of the technologies which are yet to come - they would require further discussions and what not. So, there are issues which we would have liked but we have settled for what we think is more than adequate from what we wanted. We were very hopeful that in course of time whatever you gain is a very small percentage would be available.

Chairman, Atomic Energy Commission: That should be adequate. I would describe this as a satisfactory thing from the point of view of carrying forward India's nuclear energy programme.

Question (Sheela Bhatt, Rediff.Com): Dr. Kakodkar, we do not know much about your Department. But we would like to know how jubilant are your scientists or what is the exact reaction of the scientists. Are they celebrating this as an award or not? Secondly, can you explain in layman's language how radical is this moment for you for the scientists of India. And I would like to know what you have not got what nuclear weapon states have got.

Chairman, Atomic Energy Commission: I think we are all karmayogis. So, we just carry the work on and this will allow us to remain consistent with that philosophy in an expanded manner.

Question (Jyoti Malhotra, *The Telegraph*): You have not answered that question, "What is it that you could have got?"

Chairman, Atomic Energy Commission: I think NSA responded to that right in the beginning. I can have a huge wish list, but that is not the point. The point is what was the objective with which we set out in July 18, 2005 and whether we are consistent with that. And the answer is yes.

Question (Indrani Bagchi, *Times of India*): Dr. Kakodkar, could you elaborate a little on the India-specific safeguards agreement that we will be negotiating? Around when do you expect the negotiations to be complete; and could you elaborate a little more on what you mean by India-specific safeguards? Would it be based on the template of current safeguards that we have or do you have a different template?

Chairman, Atomic Energy Commission: The very title 'India-specific' means that it has to be different and specific to the Indian conditions in the context of the international civil nuclear cooperation. I think we should wait for the details till the negotiations are complete with IAEA.

Question (Indrani Bagchi, *Times of India*): When?

Chairman, Atomic Energy Commission: As soon as possible.

Question (Indrani Bagchi, *Times of India*): Any timeframe?

Chairman, Atomic Energy Commission: I think it is unrealistic to put a timeframe to it. We should do it as soon as possible.

Question (Pranab Dhal Samanta, *Indian Express*): Dr. Kakodkar, in the March 2 Separation Plan it was agreed that India will put its civilian reactors under permanent safeguards in return for permanent fuel assurances. Are you convinced after the few assurances that are placed in the 123 agreement that you can go and negotiate a safeguards agreement with IAEA and put Indian reactors under permanent safeguards? Or is there more work to be done on the fuel assurances?

Chairman, Atomic Energy Commission: The fuel assurances that were built into the March 2 document and the fuel assurances built into this finalized draft agreement are entirely consistent.

Question: Mr. Menon, how soon can the commerce start once we have in place? The second question is for Dr. Kakodkar. Are you satisfied that India's security boat for energy and for weapons (is) secure for generations once we have this deal?

National Security Advisor: On Commerce, the NSA and Commerce have nothing in common. I will ask the Foreign Secretary to explain. As far as the second question whether we have adequate supplies of fissile material for our programmes, I think there is no reason for anybody to feel concerned over that irrespective of this agreement which does not touch on the strategic programme.

Foreign Secretary: Your question was, "When can commerce begin?" As soon as we complete the series of steps we have outlined here which bring this agreement into effect.

Question: You do not need to wait for...(inaudible)?

Foreign Secretary: I have just mentioned the whole series of steps that we have outlined in the Joint Statement and what the NSA said at the beginning.¹



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1. U.S. Ambassador to India David Mulford as a footnote to the agreement in a telephonic interview to Indian newsmen from US responding to India's (proposed) strategic fuel reserves sourced from other countries clarified on July 30th that it would remain unaffected even if it was to conduct a nuclear test. "The testing issue is not mentioned in the agreement. There is [also] no regulation over India's strategic nuclear capability. India has accepted that U.S. laws on this matter [nuclear test] are not going to change but the right of return is a discretionary right by the U.S. President and it has been preserved," he said. "I hope this won't occur and India's commitment of a unilateral moratorium on further testing would hold out. But fuel from other countries would not be affected. India has come out with a very secure position," he added. Asked whether India could also access technologies for reprocessing and enrichment, Mr. Mulford said "it could be possible to seek changes," but maintained that it was not the "prime issue" in the negotiations. "The U.S. law is very clear on that but we will possibly remain open in that." Mr. Mulford also made the point that India and the U.S. must move quickly to wrap up other aspects to avoid the deal getting caught up by the U.S. Presidential elections. In particular, India must conclude safeguard negotiations with the International Atomic Energy Agency (IAEA) within a couple of months and the U.S. would attempt to place the 123 agreement before its Congress as soon as feasible. Mr. Mulford hoped that the "compromise and concessions" by both sides would set the basis for "deep" strategic relations. One of the most important concessions was granting India the right to reprocess the spent fuel. Asked who would be major beneficiary of the deal, he said India's 35 years of isolation from the civil nuclear mainstream would end if the process was completed and could serve as the basis for the development of one of the world's "major" civil nuclear industries with "heavy" participation by U.S. companies and other countries. On Iran, he did not think India was considering helping Iran in this sector but felt New Delhi's relationship with Tehran would be "carefully scrutinized and reviewed" by Congress when it votes on the changes in the 123 agreement. On obtaining a consensus in the Nuclear Suppliers' Group for changing its rules to accommodate India, he said the U.S. was committed to helping India. "Consultations show that the NSG members are generally favourable," he said confidently.

088. Interview of National Security Advisor M. K. Narayanan with the Chennai based daily *The Hindu*.

New Delhi, July 28 & 30, 2007.

[**Note:** Interview was conducted by Harish Khare and Siddharth Varadarajan and published in two parts –part I on July 28 and Part II on July 30]

PART - I

Would it be fair to say that you are 100 per cent satisfied with the text of the 123 agreement?

I am one of those who believes that if you are negotiating and you get everything you want, then obviously there is something wrong! But I think this is as good a text as one can possibly get. If this text gets implemented, I don't think there's anything for us to be worried about. You can always say you can get more, but you want both sides — after all they have to go back to Congress and get it passed in their up-down vote.

As you went into the talks, what was the basic Indian approach?

The PM had always taken the view that if you have a legal problem, we will not try to ask you to break the law but we should find the language that would meet the obligations of both sides. But as far as policy is concerned, we will push. This was roughly the strategy we followed, knowing full well that if we try to break the law, this would raise questions in Congress. Also, following [the G8 summit at] Heilingendamm, quite clearly the message had gone down that if the Indians are being reasonable, then we should also be reasonable.

Of course it helped that we decided we would stay there. We could have come away after a day and a half if we followed the standard pattern of meetings but we stayed a full five days! I had decided I would not leave till Friday night or Saturday morning. And finally, it was 4 p.m. on Friday evening when we tied it up. Second, the best idea we had was to take [Atomic Energy Commission chairman] Anil Kakodkar along with us so we could clear all doubts. This sent a tremendous message across to the other side that we mean business, that we've got the one person who understands what we need, and has the authority — in the sense of the nuclear community's endorsement — and this means the Prime Minister was willing to send everybody whom he could possibly think of. He had sent his Foreign Secretary, Dr. Kakodkar, and the NSA plus the team.

How do you think the U.S. Congress will look at the text?

I don't think Congress will object. If [the Democrats] do not wish the U.S. President to get a major foreign policy victory, they could probably do something. But I think the text is OK. Our point is that whatever we have on the table should primarily be something that meets our [concerns]; but if the other side is not able to get it through their system, then what is the point?

And they understood this was our constraint too?

We said we had reached the limit of our flexibility. But either side need not take the other's view into consideration unless both were willing to reach an agreement.

Why was it necessary to split the Indian right to reprocess into two parts, with prior consent coming upfront but actual permission being granted only after an 18-month schedule of consultations?

[Experts] will understand but most people were fed on the concept that advanced consent rights is the basic issue. So we wanted that upfront, literally. Two, we wanted to make a very clear demarcation that if your concerns are nonproliferation, we are offering you something, and we wanted to make it very clear that this is a dedicated national facility. Ever since I first floated the idea publicly, there have been efforts on the part of some to say 'Can it be part of an international program, part of GNEP?' So we wanted it clear. That is why these two sentences are put in a manner that nobody can quibble about what we meant ... And then we wanted some timelines so this wouldn't be dragged on and on. So we got those three...

What happens if agreement on the modalities of reprocessing — like the infamous 'joint determination' for Tarapur reprocessing — does not come after a year of consultations? Is there a dispute resolution mechanism? Are there administrative arrangements? Will India be free to reprocess?

Running right through the agreement is a system of consultations and discussions. We really did not need [the timeline] except for Banquo's Ghost of Tarapur hanging there. The question was, if you have an open-ended process, there will be no limit to this kind of thing. It becomes a chicken and egg situation — if the reactors come, the spent fuel starts piling up, and your reprocessing is still a matter of debate and discussion — so American industry must realise that to some extent, if they are thinking of expanding the opportunities they have, there must be an outlet for what is being

produced. We have tried to put into the document as much as is possible to state. Now, it depends on people who are there. You will get spoilers I am quite sure, definitely on their side, probably on our side, who will try to do this. But we've tried to put into the agreement something that rational, normal human beings will understand what it means. If you don't have agreement within a year, OK, it may be because some designs have not been properly [made], but if someone is quibbling that 'I don't like it to be facing west, it should face east,' I mean, that would be different. I don't think the whole thing will be decided in one year, it maybe extended if there is a rational way of looking at it — may be because the design you have drawn does not seem to be ok. But if you are just trying to prolong the process because you don't want to give us reprocessing, we have the opportunity to terminate it in the ultimate, that is, it is not as if, at the end of 12 months, we are going to put a guillotine and say nothing is happening so therefore... The whole purpose is to move forward.

Terminate the consultation process or terminate the agreement?

We don't know. We have no intention of terminating unless you see somebody is ... I don't think it's going to happen. It's really an insurance against what you rightly said is Tarapur. I think they have understood that we have not done anything with Tarapur. We did mention it is a ticking time bomb. Ok, Tarapur is a small quantity but if there are larger quantities, there is no question. If we are thinking of a huge expansion and you want to be part of that game, you need to do this. I think they've understood that and they have come forward. But you will always have some spoilers, for which we have put some kind of break so that people understand that if push comes to shove, and that's the ultimate, we have no ... For that is part of the agreement. The whole point of this is that we are not cheaters at all. Whatever we say or want to do will be in conformity with the terms of what has been put down. That is the sum and substance of the agreement.

The 123 text says that in the event of the International Atomic Energy Agency determining that safeguards are not being applied, India and the U.S. must enter into consultations for the establishment of alternative verification mechanisms. Have we thought about the circumstances under which the IAEA could make such a determination?

We were trying to bridge a concern that was being expressed, may be real, may be not. Running through this as a thread in the entire agreement is our willingness to stake our credibility in terms of our honesty of purpose. We

have said we are prepared to put our reactors under safeguards in perpetuity and the only safeguards we accept are the IAEA safeguards. We are going in for an India-specific safeguards regime. Now the Americans say, 'Suppose the IAEA doesn't do this or that?' We have already consulted the IAEA, they cannot even conceive of a situation, I mean short of a nuclear Armageddon when everything is broken down... But we are dealing with people who have concerns. After all, someone may ask us, why do you want a timeline on reprocessing. It's purely based on our apprehensions. Similarly, they have apprehensions on the other side. So what we have said is ok, we meet your apprehensions, that if the IAEA determines they cannot, then we will have joint — the two parties will mutually agree on new verification arrangements, which I think is a very rational way of looking at it. We have removed the whole question of fallback safeguards. Now you may say, the IAEA could be persuaded, coerced...

What about budgetary reasons? The IAEA does have a budget crunch. Could lack of money be a reason for the IAEA to make such a determination on implementing Indian safeguards?

That's true, but we have left it to IAEA determination. Whoever is the Director General will have to make the determination and get the [IAEA] Board to agree that we are unable to put the safeguards process. Now, if that is because of lack of funds, we may decide to add to the IAEA's funds. There are several innovative things one can think of.

So in the worst-case scenario, we pay for our own safeguards rather than letting the U.S. come in?

Exactly. We don't want someone else. If the IAEA is unable to do it because of lack of funds, we can always find some way to do it. What we do not want is x, y or z coming and prying.

How has the U.S. 'right of return' on fuel supplies in case of a nuclear test by India been reconciled with their commitment to fuel supply assurances and the continuous operation of our reactors?

When you see the full text, you will see. I think it's a major achievement. In a sense we have squared a very difficult circle. The principle is that you cannot derogate a commitment that has been made because it is linked to safeguards in perpetuity. That is a point which I had made to [U.S. National Security Adviser Stephen J.] Hadley way back. 'You and I played a role on the night of March 1 [2006] in producing this. Now you can't go back on that. That approval came from your President.' So I

think there, the derogation of that [commitment] will not be affected by the [right of return]. That is more or less the line we have taken. This was a problem we have because that is a legal issue for them, not a policy issue. We have tried our maximum to enable them to say that we have not broken any law or bent any law beyond any point, so that they cannot come back and tell us that. So where there was a legal impediment, we have tried to find some way around it, but this I think is an excellent fix, the negotiating team felt. It certainly has the approval of [DAE Director of Strategic Plans] Dr. Grover and Dr. Kakodkar. That's why I had him there. He had said, 'You can always ring me up.' I said I want you there every second, every minute!

But he was not present in the actual negotiations?

No. I told him, if things break down, they will accuse me... 'What do you expect of a policeman, he can't think strategically!' But you are an icon as far as India is concerned. If there is breakdown, let them at least say you were not involved in the negotiations. But I'll pass every single bit of it through you so if you have any, I mean, we had lots of discussions and we had to moderate each other's positions, but finally he was fully on board. Just as we did on July 17 [2005] night.

Were you constantly in touch with the PM?

Not constantly, but I knew he was worried. So I talked to him, first on July 18, then 19 and 20, when we felt things were not collapsing, we are moving towards resolution.

In the negotiations last week, was there a point where you realised you were over the hump?

July 18th. That was the Hadley meeting. There were the two basic issues of reprocessing and right of return which were finalised. And it was obvious I had an ally. And safeguards. For us the three key issues were reprocessing, immunising of strategic reserves, and safeguards. All commitments the PM had made. And there were others like sequencing and so on.

On the 18th, we had the impression that these three would be sorted out. I had two rounds with Hadley entirely one to one. And a two-hour round with myself, Burns, and Hadley. We had altogether eight hours involving Hadley. I think our negotiating group had a tougher time. There were the State Department lawyers and all that. I take my hat off to our negotiators. What I did was easy. The difficult part was what [Indian High Commissioner to

Singapore] S. Jaishankar, Dr. Venkatesh Verma [from the Prime Minister's Office], and Grover did with Burns. Because there were lawyers. With Hadley it was easy; you basically make a pitch and if he was willing or half way willing, it was ok.

Did we have lawyers?

No, our country is not litigious like that. We don't have prenuptial agreements before one gets married here! But our team was solid. I must say you have to really give credit to the two stalwarts from the DAE — Dr. Kakodar, who stayed away but his presence permeated right through, and Dr. Grover; they fought every inch of the way. Because whatever were the big ticket items we got, putting the concepts into language was always difficult.

Is it the case that in the unforeseen event of a nuclear detonation by India, the continuous running of Indian reactors will be unaffected?

On paper, they have said it will be uninterrupted. What we have tried to say is for disruption — so this will be treated as disruption. Now certainly I don't have to tell you that if there is a detonation, or what I would say a unilateral detonation — we have provided in this for a mutuality in that — when you read the full text you will see that when we refer to July 18, there is a provision that if the U.S. tests, i.e. there is a reciprocal commitment. Then we have provided for multilayered consultations, in which the national security concerns if something happens is — I mean the dreaded word detonation has not been said anywhere.

But if there is a unilateral detonation on our side, I presume there will be political consequences irrespective also. We recognise that. But what we want is a legal document so that we have a leg to stand on.

We've talked in terms of a time lag by which alternative supplies can be brought, all that has been provided, so that's why I am saying the text is good, but the text is as good as its implementability. I think the U.S. and India will hopefully not — at least for the next 20 or 30 years — be seen as antagonists who are fighting a major conflict, so I think both sides will be interested in [agreeing].

Just so that we are clear on this point, India can continue to use American supplies until such time as replacements come, even if they want it back?

That is the sum and substance of what the text says. Whether that happens, I am not God here, though I must say God played his role in this.

PART - II

If you step back and take a big picture view, why in your assessment is this nuclear deal so important for the United States? What is the larger strategic purpose behind it?

I don't know, you'll have to ask them. OK, there is always the question that everybody knows the answer to, that the U.S. wants India on its side. You know, all kinds of things. It's a possibility. I am not denying it. But during the negotiations, in the ones I have been involved in, never was there any suggestion that we would like you to be in a strategic partnership with us to a degree higher than what we have at the moment. So the presumption would be, and perhaps there is some weight to it, that the U.S. would like a country like India, a fellow democracy and so on, to be in step with what they are up to and all that. [Pauses] I think this was primarily driven by President Bush's regard for Dr. Manmohan Singh and his point that we need energy; that the energy deficit is our biggest problem. For whatever reason — I know President Bush is not the most popular man in the world — but in every discussion I have been privy to, he has always shown a great deal of regard for what India has achieved, a billion people, a million problems, and a democracy. He repeats this all that time. So a lot of it has been achieved by him...

Clearly we have not conceded anything up front other than what we have always stood by. Now, whether they expect us to be grateful to them, I suppose they'll have to wait and see, but then it's a post-dated cheque as far as they are concerned.

I find, certainly this administration — at least the three or four people I am privy to — is looking forward to the possibility of India emerging. I know that Dick Cheney is painted in the darkest of dark colours, but my impression is that they'll be happy if India made the kind of progress that, so I look upon it in a benign way, not overlooking the fact that there may be another strategic purpose. But right through the discussions, no one has tried to say India and the U.S. should be partners vis-a-vis country A or B or China.

Speaking of Cheney, what did you discuss with him?

I found him very positive as far as India is concerned. For us, that is the most important thing. But he didn't bring up any issues of contention, he

didn't raise things like Iraq or Iran. It was a broadbrush. But he was positive on the Indo-U.S. nuclear deal.

How much of the 123 logjam did he clear up?

There had been a lot of prior consultation. Each one knew what the other was up to. And I think they have a far better seamless [system of] information moving up and down. So by the time we met Cheney, we had cleared most of the ... But there is nothing like clearing until the text is frozen, and that happened after that meeting. You can't really say everything was done because of him, or that it had all been done before him. Some of the reports have been a bit too much. Of course, each one played their role.

Is there a possibility that the deal may give rise to unreasonable expectations on Washington's part, expectations India may be unable or unwilling to fulfil? That we should be willing in the future to play in Asia the role of a Britain? Have we ever given them cause to have such expectations?

We have certainly never given them that ... Thanks to our many friends within the government and outside, even if you wanted to say a half-truth on this, we are afraid lest it travels back! There are several issues on which all of us have strong views but we are afraid to express that lest someone on the U.S. side uses that as an index or indication that we want to do much, much more. We are conscious that if the USS Nimitz can't come to Indian waters without us having to write letters, speak, what not; so to go beyond that is, we have never said anything.

But unrealistic expectations?

I don't know. The American administration is sophisticated enough to realise that it is one thing to have realistic expectations, but unrealistic ones, I am not sure. I would presume that there is comfort with India. I find that across the board. It's possible, though I have not looked at the issue closely, that with China, in many other parts of the world, everyone is full of admiration for the juggernaut that China is, but there is a certain amount of concern and discomfort as to how it is going. In that sense, even if we are not a very efficient democracy, there is a great deal of comfort. People are comfortable.

One of the next steps on which the Americans are very keen is for India to sign the Access and Cross-Servicing Agreement to allow the U.S. military easier access to Indian facilities. Where do things stand? Is it true that the Government has reservations about signing the ACSA?

Reservations in this sense, because we are unsure how far we can go and how far will we be compromised. We have not been able to reconcile in our minds on the question. It's really a question of overcoming certain concerns, basically. So I think we are looking at it with a fine toothcomb over and over and over again to see that, is it beneficial, or are there some hidden disadvantages. So we will work on that.

Is one of our concerns the fact that we don't want Indian facilities to be used in the event of military action by the U.S. somewhere in the region?

I think there are three or four issues there though I don't want to explain all of that just now. See, finally the point is, we are extremely conscious of our sovereignty issue. Are we giving up our sovereign rights in this matter if we enter into an agreement of this kind, would we have the opportunity to sort of step back if and when a situation arises? We need to, we haven't focussed as much on this as we have focussed for instance on the 123 agreement ... Also, the issue is one of timing. If you do that and then this, we don't want to be seen as having sort of provided an opportunity for the critics to say 'Oh, you have already conceded this much and therefore you are now doing this.' We want to look at the civil nuclear cooperation agreement as a standalone. It has nothing to do with anything else... Now that this is out of the way, perhaps we might have a little more freedom to look at some of these issues. There is the Container Security Initiative pending, more for legal issues. That will also probably get done. But we also have to keep in mind that people should not see each of these as further slippage... We have, first and foremost, a coalition government, and second, I don't think the country is yet willing to recognise that the U.S. is a benign power, which it certainly is not, and I think we have to be careful. I mean we have the whole G-77 and Nonaligned Movement. We can't ignore this.

In spite of Condoleeza Rice's advice to us...

Well, we were a little surprised that somebody like her should have made it in such a blunt way. This is the whole problem with the whole U.S. side. The same thing could have been said, 'Now there are no two blocs, I suppose there are opportunities to look at things differently'... You don't have to say, 'Forget NAM, forget your friends.'



089. Interview of Prime Minister Dr. Manmohan Singh with the Kolkata based daily *The Telegraph*.

August 11, 2007.

In an exclusive interview to *The Telegraph*, the Prime Minister said: "I told them that it is not possible to renegotiate the deal. It is an honourable deal, the cabinet has approved it, we cannot go back on it. I told them to do whatever they want to do, if they want to withdraw support, so be it...."

"He was referring to his conversation with the CPM's Prakash Karat and the CPI's A.B. Bardhan on Tuesday night (August 7), hours after the Left released a statement on the nuclear deal.

In a frank conversation, the Prime Minister said he was "not angry but anguished" at the harsh tone and tenor of the Left's reaction and made it clear that the UPA-Left relationship could not be a one-sided affair.

Replying to a question, he said: "I don't get angry, I don't want to use harsh words. They are our colleagues and we have to work with them. But they also have to learn to work with us.

"Although he did not raise his voice, those last 10 words had a hint of steel which underlined the Prime Minister's new resolve to take on the Left. There was no immediate response from the Left leaders, Singh said, adding: "They haven't thought it through."

In the course of the interview, the Prime Minister made it clear that the Left had a flawed understanding not just of the 123 Agreement but also of India's intrinsic strength and its enhanced status in the world.

On the nuclear deal itself, he said: "It is an honourable deal which enlarges India's development options, particularly in regard to energy security and environmental protection, and it doesn't in any way affect our ability to pursue our nuclear weapons programme. We have not surrendered an iota of our freedom in this regard; not an iota of our sovereignty.

"In this context, he referred to the interview in *The Hindu* newspaper today with R. Chidambaram, the former chairman of the Atomic Energy Commission and currently the government's principal scientific adviser. "I cannot improve on what he (Chidambaram) has said. He has said that all three conditions (there will be no effect on the strategic programme, there will be no deceleration in our three-stage nuclear power programme, and

there will be no effect on our advanced R&D programme) have been met.

"Asked why then was the Left objecting to the deal, the Prime Minister said: "I don't know... (but) they seem to have a problem with the United States." Elaborating on his own stand, Singh added: "I want India's relations to improve with all powers and we have been doing that - with the US, with Russia, with the EU, with France, and particularly with China. We have had a breakthrough with China, a historic agreement where we have defined the principles that will outline the border agreement...."

" On the Left's fears that the 123 Agreement would draw India further into a strategic alliance with the US, rendering it an American satellite, Singh said: "How can we ever become anyone's satellite? Yes, we live in an increasingly interdependent world but the challenge before us is to forge new linkages, widen our strategic options and, at the same time, guard against the negative side of the process of globalisation.

"Although he did not directly attack the Left's stand on the US as outdated or alarmist, he made his meaning clear by referring to the way communist countries were dealing with the superpower.

China, he pointed out, had a huge trade surplus with the US but was not worried about losing its independence. "Look at Vietnam, look at China (the way they are engaging with America) - out of fear of dealing with the US, we cannot become a frog in the well," Singh said.

If the Prime Minister was "anguished" at the Left's obvious lack of trust in him to do right by the country, he appeared equally dismayed at their low levels of confidence in the nation. "India, with a billion people and with such a diversity of languages and cultures and religions, with its functioning democracy and respect for rule of law is a unique country; we are a role model for the world.

"By railing against the nuclear deal, the Left was "underestimating the intrinsic strength of India, of India's capacity to defend its national interests", he felt.



090. Interview of Secretary, Department of Atomic Energy and Chairman of the Atomic Energy Commission Anil Kakodkar with *the Hindu*.

Chennai, August 11, 2007.

Q. What compelled the Department of Atomic Energy to go in for this '123' agreement with the United States when it is on course with its indigenous three-stage nuclear power programme? Where is the need to import light water reactors (LWRs)?

Ans. The fundamental priority remains the development of the three-stage nuclear power programme. Even in the programme of 20,000 MWe of nuclear power by 2020, which provides for PHWRs [pressurised heavy water reactors], a number of FBRs [fast breeder reactors] and an AHWR [advanced heavy water reactors] run on thorium, there was a provision for eight imported LWRs of 1,000 MWe each. The objective is that while we open up the huge energy potential in our thorium resources through the development of our three-stage programme, we also look for additionalities in the near-term through imports.

Similarly, if the civil nuclear cooperation comes about and we are able to import natural uranium, we can also set up more indigenous PHWRs. So this international civil nuclear cooperation is to get additional nuclear power generation capacity in the near term, without in any way affecting our three-stage programme or the strategic programme or our domestic R&D activities.

We should also look at it from the point of view of possibility of exports. For example, our PHWRs are the smallest, commercially competitive systems worldwide. It may be of interest to several developing countries ... Once the international civil nuclear cooperation opens up, it should be possible for us to sell our reactors and technology to other countries ... who may have an interest in them just as it should be possible for us to buy reactors from other countries... The embargoes are there at present. If the restrictive regime which is operating around us goes away, it is certainly good for a greater share of nuclear power in the total power generation capacity.

Q. What are the areas in the 123 agreement that have satisfied you? What are the areas with which you are disappointed?

Ans. I have always viewed the possibility of opening the civil nuclear cooperation as an additionality¹. These additions will not in any way impinge on our domestic development of the three-stage nuclear power programme,

1. Earlier on August 4 in their reaction to the agreement immediately after the publication of the text, Mr. Kakodkar and Mr. M. R. Srinivasan former Chairman of the Atomic Energy Commission extended their welcome to it. Mr. Kakodkar, described it as "a satisfactory arrangement" which would enable India to receive international civil nuclear cooperation while at the same time, preserving India's programme relating to strategic areas, its three-stage indigenous nuclear power programme, and research and development. M.R. Srinivasan, former Chairman, AEC, called it the best agreement we can enter into at this point of time and this is the way to move forward.

"This is the best compromise that can be worked out at this point of time with which we can live." He, however, added, "Of course, we must be alert and make sure that subsequent steps are not taken to lead us to make further concessions or erode our position." The agreement had, "to a larger measure," broken "the logjam" that led to the isolation of India from international civil nuclear cooperation for the past 30 years and also denial of technology related to reprocessing, enrichment and heavy water production. Dr. Srinivasan, who is now a Member of the AEC, said the agreement should be looked at in the backdrop of India wanting to generate nuclear power in a big way in the near future. To pursue its three-stage nuclear power programme, India needed access to international technology. It was time to add to substantially to its nuclear power generation, using Fast Breeder Reactors. India needed to make additions to its indigenous nuclear power programme by importing Light Water Reactors (LWRs). "This agreement will give us that opportunity," he said. Asked about the provision in the agreement that "transfers of dual-use items that could be used in enrichment, reprocessing or heavy water production facilities will be subject to the Parties' respective applicable laws, regulations and licence policies" and whether this meant that transfer of these technologies to India would be subject to a review by the U.S. Congress, Dr. Srinivasan said the U.S. Atomic Energy Act of 1954 stood in the way of the U.S. supplying these technologies to other countries. So the Americans found it difficult to accommodate India's request at this point of time for the transfer of reprocessing, enrichment and heavy water production technologies to India. "However, there is a door that can be left open for future negotiations as an amendment to this agreement," he said. What was the guarantee that the review would be favourable, he was asked. His reply was that these technologies related to dual-use equipment. "It is our hope that changes will be made and arrangements will come about for other nuclear suppliers [to provide these technologies to India]. We already have these technologies.

But when we take up these technologies for larger industrial use [that is, massive generation of nuclear power], we would like to have international equipment and processes. That way, we can look to the future. We have to break the logjam," the AEC member said. Asked whether India had broken the logjam through this agreement, he said, "to a larger measure." He was asked whether the agreement insinuated the possibility of a nuclear test by India by stating that the Parties "agreed to take into account whether the circumstances that may lead to termination or cessation resulted from a Party's serious concern about a changed security environment or as a response to similar actions by other States which could impact national security," Dr. Srinivasan's reply was this: "Yes, it is correct. The 123 agreement does not refer to any nuclear test at all. The U.S. Atomic Energy Act of 1954 will apply... The U.S. cannot treat India as a nuclear weapon State under the NPT [Nuclear Non-Proliferation Treaty]. We fall between two categories. This is a special arrangement. So this is a fallback provision and there is some comfort to the Indian side that consultations and conditions will emerge. Our hope is that there will be no further nuclear test by anybody, especially the U.S., China and Pakistan."

our strategic programme, and our R&D. Secondly, if we set up nuclear power stations which are acquired from outside, then there should be an assurance that there will be no interruption in their operation. With whatever spent fuel that will arise in these power stations, it should be possible to reprocess and recycle [plutonium] so that we can get the benefit of 50 to 60 times more energy. Also, there should be no difficulties in terms of spent fuel management in accordance with our domestic policy of reprocessing and recycling in a closed fuel cycle mode. This agreement provides for all this. These are our requirements and they are met ... This agreement is a practical solution, which meets all our requirements. It is a practical way forward. So it is satisfactory.

Q. There are three central issues: India's right to reprocess the spent fuel into plutonium from the reactors to be imported; uninterrupted fuel supply for these imported reactors; and India's voluntary moratorium on nuclear testing, which it does not want to convert into a bilateral legality with the U.S. Are you satisfied in all these areas?

Ans. I think so. There is an upfront reprocessing consent right. There is an assurance of uninterrupted operation of reactors. In terms of tests, the unilateral voluntary moratorium we have remains as such. There is no conversion of that into a bilateral legality. So I think it is satisfactory.

Q. The U.S. has only given its consent to make a request to it to allow us to reprocess the spent fuel from the imported reactors. The consent may come after a year and a half. How can you say upfront consent has been given?

Ans. This needs to be clarified. First, that there is a consent for reprocessing is very explicitly stated in the same Article [6(iii)] in the beginning: "the Parties grant each other consent to reprocess or otherwise alter in form or content nuclear material transferred pursuant to this Agreement." So this consent right is upfront. There is no ambiguity about it. Now the important point to recognise is that you need to establish arrangements and procedures with regard to safeguards, physical protection, storage and environment, and such other parameters. The agreement spells out the standards for these purposes.

Parties will agree on arrangements and procedures, and consultation for this purpose will start in six months from the date of the request and it will be completed in one year. So it is not one year and a half. It is one year from the date of the request that arrangements and procedures will be in place.

Q. "Arrangements and procedures" seem to be a loaded term. Can the U.S. not impose any number of conditions under that, and delay granting India the reprocessing rights?

Ans. No, no. For what does the Agreement talk about "arrangements and procedures"? It says, "These arrangements and procedures shall include provisions with regard to physical protection standards set out in Article 8, storage standards set out in Article 7, and environmental protections set forth in Article 11 of this Agreement, and such other provisions as may be agreed by the Parties. Any special fissionable material that may be separated may only be utilised in national facilities under IAEA safeguards." So these arrangements and procedures have been clearly spelt out, and also the standards to be adopted are spelt out. There is no ambiguity about that.

Q. The Agreement says that India should build "a new, national facility dedicated to reprocessing safeguarded nuclear material under IAEA safeguards." Supposing the U.S. insists that we should show them the design of this reprocessing plant and picks holes in it?

Ans. When you sign up safeguard arrangements with the IAEA, certain information has to be defined but it is to the extent of safeguardability. It is not necessary that every information has to be given. Only information about safeguardability has to be given because we must satisfy that safeguards can be satisfactorily put in place. All these with respect to the IAEA. There is no issue on that. We have done that in the past.

Q. Reprocessing is at the heart of India's three-stage programme. Is there a diabolical game to block India from going ahead with its second and third stages and saddle it with imported reactors?

Ans. We should go by what is stated in the Agreement. It clearly states that upfront consent rights [for reprocessing are granted]. There is a clear provision for completing the arrangements and procedures within one year from the date of the request and we can make that request the day the Agreement is in place. Afterwards, you can build the facility, get IAEA safeguards established and carry on with reprocessing. That is an activity between us and the IAEA.

Over and above that, the agreement has a non-hindrance clause, which says that there cannot be any hindrance or interference in India's unsafeguarded programme or programmes involving military nuclear

facilities and so on. So there is an explicit statement in the agreement itself - a legal provision that we can carry on our programme unhindered, according to our policies. Similarly, we can carry on with the reactors which are supplied to us under this agreement. We can reprocess the fuel supplied under this agreement and we can re-use the plutonium, derived after reprocessing the spent fuel, in safeguarded national facilities. So it is quite clear.

Q. The four FBRs that India will build before 2020 will not be under safeguards. After these four, whatever FBRs India builds, it can determine which will come under safeguards and which will not.

Ans. Yes. It is for India to decide. Where we are using fuel derived from the spent fuel of imported origin, we will put them under IAEA safeguards.

Q. This agreement seems to be full of verbal jugglery. For instance, in Article 5 (2), it says, "Transfers of dual-use that could be used in enrichment, reprocessing or heavy water production facilities will be subject to the Parties' respective applicable laws, regulations and licence policies." So it is clear that the Hyde Act, the U.S. Atomic Energy Act of 1954, its Non-Proliferation Act of 1978 will apply to this agreement, and all these three deny reprocessing, enrichment, and heavy water production technologies to India. Does it mean that India will not get full, civil nuclear cooperation from the agreement although it promises that?

Ans. Let us look at it the following way. As I said earlier, we are talking about our ability to derive full benefit out of imported fuel, using our ability to reprocess and recycle the nuclear material and derive 50 to 60 times more energy potential compared to what is possible in once-through use. This is one part. With regard to reprocessing, enrichment, and heavy water technologies, the U.S. has not transferred these technologies to any country so far. So this agreement provides for a possibility of such transfers but that will require an amendment to this agreement. That possibility has been kept open.

With regard to dual-use items for use in heavy water, reprocessing and enrichment facilities, one should remember that these items do not involve sensitive nuclear technology. The agreement says that they can be transferred consistent with the Parties' respective applicable laws, regulations, and licence policies. That provision has been made.

Q.What do you mean by this?

Ans. In the sense, there is a positive forward-looking provision on transfers. It prevents an outlook of targeting these facilities. The point is we are able to carry forward our activities including reprocessing, enrichment and heavy water [production]. We are able to derive full benefits from international civil nuclear cooperation. So it is a satisfactory arrangement... In fact, it talks about full civil nuclear cooperation, reactors, fuel and aspects of associated nuclear fuel cycle. So it is a broad-based Agreement that covers all aspects of nuclear cooperation. Wherever we proceed with this cooperation, there is no possibility of any interruption. At the same time, there is a non-hindrance protection to our domestic activities.

Q. The same Article 5 (2) says, "Sensitive nuclear technology, sensitive nuclear facilities, heavy water production facilities and major critical components of such facilities may be transferred under this Agreement pursuant to an amendment to this Agreement." Does it mean that it will attract a review by the U.S. Congress?

Ans. I think perhaps yes. But that is in future when the two countries decide to cooperate further in transfers in these areas - sensitive nuclear technologies that will require an amendment to this agreement ... The important point to recognise is that the agreement does not say that they will not be transferred. They have kept an opening for the future.

Q. So there is full civil nuclear cooperation?

Ans. I think so.

Q. There is a cloud of uncertainty even about the uninterrupted fuel supply for the reactors to be imported. Article 5 (6) (b) (i) says, "The United States is willing to incorporate assurances regarding fuel supply in the bilateral U.S.-India Agreement on peaceful uses of nuclear energy under Section 123 of the U.S. Atomic Energy Act, which would be submitted to the U.S. Congress." Does it mean it requires the Congress' ratification?

Ans. The whole document will go to the U.S. Congress. This entire thing [agreement] is a cut and paste of the March Separation Plan. It is entirely identical. And the U.S. is making a commitment that it will get this done. They will have their arrangements and they will join with other countries and they [other countries] will support building a strategic reserve of fuel [for India] to guard against any interruption. There are these multi-layered assurances including that if there is a disruption of fuel supply, India will have the right to take corrective measures. There is a good amount of

protection. The agreement says that it will provide "for corrective measures that India may take to ensure uninterrupted operation of its civilian nuclear reactors in the event of disruption of foreign supplies." So uninterrupted operation of the reactors is assured in the agreement.

Q. The agreement says, "If the IAEA decides that the application of IAEA safeguards is no longer possible, the supplier and the recipient should consult and agree on appropriate verification measures." Isn't this a backdoor entry for the American inspectors to our safeguarded facilities?

Ans. No. Not at all. It is very unambiguous. First of all, the agreement talks only about IAEA safeguards. The determination on application of safeguards rests only with the IAEA. Even if it comes to a situation where the IAEA determines that the application of safeguards is not possible, which is almost an impossibility - even if the IAEA were to determine that - what is there in the agreement is that there will be consultation between the supplier and the recipient on verification measures. Verification measures are not the same as safeguards ... Verification means you basically verify that the material that is supposed to be there is there. You are assured that there is no diversion.

Q. The Americans can terminate the Agreement before its expiry period of 40 years by giving us notice.

Ans. We can also terminate ... The whole agreement is balanced on both the sides.

Q. If the Americans terminate the Agreement before the end of 40 years, will the imported reactors, however, continue to be under safeguards in perpetuity? Isn't it an imbalance?

Ans. Our ability to continuously run the reactors is also ensured. If the agreement is terminated, we can still run the systems using the strategic reserve of fuel. Only no new reactors will come.

Q. Supposing India conducts a nuclear explosion and the U.S. terminates the Agreement and wants to take back the reactor vault, steam generators, coolant channels, etc. Is it possible to take back to the U.S. all these equipment, which will be full of radiation?

Ans. It is practically not possible. Even if they do, they have to pay for it. We can use that money to set up other systems.

Q. Will the reactors to be imported be turn-key or will the Nuclear Power Corporation of India Limited (NPCIL) build them after importing the equipment like it is doing with the Russian reactors at Koodankulam in Tamil Nadu now?

Ans. That depends on the contract for the reactors.

Q. In sum, do you feel that this Agreement is in consonance with the July 18, 2005, Joint Statement by Dr. Manmohan Singh and the U.S. President George W. Bush and the Separation Plan?

Ans. I think so... I already said this is a satisfactory arrangement.



091. Statement by Prime Minister Dr. Manmohan Singh in the Lok Sabha on the Civil Nuclear Energy Cooperation with the United States of America.

New Delhi, August 13, 2007.

Mr. Speaker Sir, I rise to inform this august House that the Government of India has reached Agreement with the Government of the United States of America on the text of the bilateral Agreement on Cooperation for Peaceful Uses of Nuclear Energy. ... (Interruptions)

This Government has kept Parliament fully in the picture at various stages of our negotiations with the United States. We have never shied away from a full discussion in Parliament on this important issue. I have myself made statements on several previous occasions - on July 29, 2005 soon after my return from Washington, on February 27, 2006 during which I took Parliament into confidence regarding our ongoing discussions with the United States on the Separation Plan, and on March 7, 2006 following the visit of President Bush to India. ...(Interruptions) I also made a detailed statement in the Rajya Sabha on August 17, 2006 conveying certain solemn commitments to which I shall return shortly. ... (Interruptions)

Our Government has adhered scrupulously to Parliamentary traditions and practices. We have in fact gone far beyond any previous Government. ... (Interruptions)

After the conclusion of the Agreement, we have also briefed many of the

parties represented in Parliament on the details of the Agreement.

Sir, the Agreement is about civil nuclear energy cooperation. It is an Agreement between two States possessing advanced nuclear technologies, both parties having the same benefits and advantages. The significance of the Agreement lies in the fact that when brought into effect, it will open the way for full civil nuclear energy cooperation between India and the United States. We have negotiated this Agreement as an equal partner, precisely because of the achievements of our scientists and technologists in overcoming the barriers placed around us in the past. This is an Agreement based on the principle of mutual benefit. ... (Interruptions)

There has been considerable public debate and discussion on various aspects of the Agreement. On August 17, 2006, I had given a solemn commitment to Parliament and to the country regarding what we can agree and cannot agree with the United States to enable civil nuclear energy cooperation with India. I had stressed that it must be within specific parameters, which I had shared with Parliament. This was an unprecedented measure of transparency on our part even in the midst of complex negotiations.... (Interruptions)

I had given Parliament my assurance that the Government will make every effort so that the vision of the Joint Statements of July, 2005 and March, 2006 becomes a living reality. I believe that we have redeemed that pledge. In concluding this Agreement, we have ensured that the autonomy of our strategic programme is fully maintained, and that Dr. Homi Bhabha's long-term vision remains our guiding principle ... (Interruptions)

With your permission, I wish to draw the attention of this august House to the main features of the Agreement in some detail. It would become evident that the commitments I had made to Parliament, including those on August 17, 2006, have been fully adhered to.... (Interruptions)

The concept of full civil nuclear cooperation has been clearly enshrined in this Agreement. The Agreement stipulates that such cooperation will include nuclear reactors and aspects of the associated nuclear fuel cycle, including technology transfer on industrial or commercial scale. It would also include development of a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of our reactors.

A significant aspect of the Agreement is our right to reprocess US origin spent fuel. This has been secured upfront. We view our right to reprocess

as a key element of a closed fuel cycle, which will enable us to make full use in our national facilities of the energy potential of the nuclear fuel used in our reactors. ... (Interruptions) This important yardstick has been met by the permanent consent for India to reprocess. ... (Interruptions)

India will establish a new national reprocessing facility dedicated to reprocessing foreign nuclear material under IAEA safeguards. ... (Interruptions) India and the US will mutually agree on arrangements and procedures under which such reprocessing will take place in the new facility. ... (Interruptions) Consultations on arrangements and procedures will begin within six months of a request by either party and will be concluded within one year. There is no ambiguity with regard to the commitments of both countries.

Any special fissionable material that may be separated may be utilized in national facilities under IAEA safeguards. Thus, the interests of our three stage nuclear programme have been protected. ... (Interruptions)

The United States has a longstanding policy of not supplying to any country enrichment, reprocessing and heavy water production facilities. ... (Interruptions) This Agreement provides for such transfers to India only through an amendment. Forward-looking language has been included for dual use transfers of enrichment, reprocessing and heavy water production facilities. We hope transfers will become possible as cooperation develops and expands in the future. ... (Interruptions) It is important to note that no prohibition that is specifically directed against India has been included in the Agreement. ... (Interruptions)

The Principle of Reciprocity

The principle of reciprocity, which was integral to the July 2005 Statement, has been fully safeguarded in this Agreement. There is no change in our position that we would accept only IAEA safeguards on our civilian nuclear facilities. This would also be in a phased manner and as identified for that purpose in the Separation Plan, and only when all international restrictions on nuclear trade with India have been lifted. India will not take any irreversible steps with the IAEA prior to this. ... (Interruptions)

Certification

This Agreement emphasizes the desire of both countries to cooperate extensively in the use of nuclear energy for peaceful purposes as a means of achieving energy security on a stable, reliable and predictable basis.

This Agreement further confirms that US cooperation with India is a permanent one. There is no provision that states that US cooperation with India will be subject to an annual certification process. ... (Interruptions)

Hon. Members may recall that the 18th July 2005 Joint Statement had acknowledged that India be regarded as a State with advanced nuclear technology enjoying the same advantages and benefits as other States with advanced nuclear technology, such as the US. ... (Interruptions) This Agreement makes specific references to India and the United States as States possessing advanced nuclear technology, both parties having the same benefits and advantages, both committed to preventing Weapons of Mass Destruction proliferation. ... (Interruptions)

Safeguards

As agreed in the March Separation Plan, India has accepted only IAEA safeguards that will be reflected in an India-specific Safeguards Agreement with the IAEA. We have not consented to any provision that mandates scrutiny of our nuclear weapons programme or any unsafeguarded nuclear facilities. ... (Interruptions) There are explicit provisions in the Agreement that make it clear that this Agreement does not affect our unsafeguarded nuclear facilities and that it will not affect our right to use materials, equipment, information or technology acquired or developed independently. ... (Interruptions) India and the United States have agreed that the implementation of the Agreement will not hinder or otherwise interfere with India's nuclear activities including our military nuclear facilities. Nothing in the Agreement would impinge on our strategic programme, our three-stage nuclear power programme or our ability to conduct advanced Research and Development. ... (Interruptions)

Fuel Supply Assurances

I would like to reiterate that the March, 2006 Separation Plan provided for an India-specific Safeguards Agreement with the IAEA, with assurances of uninterrupted supply of fuel to reactors that would be placed under IAEA safeguards together with India's right to take corrective measures in the event fuel supplies are interrupted. An important assurance given is the commitment of support for India's right to build up strategic reserves of nuclear fuel to meet the lifetime requirements of India's reactors. ... (Interruptions) This Agreement envisages, in consonance with the Separation Plan, US support for an Indian effort to develop a strategic

reserve of nuclear fuel to guard against any disruption of supply for the lifetime of India's reactors. The Agreement reiterates in toto the corresponding portions of the Separation Plan. It has endorsed the right of India to take corrective measures to ensure uninterrupted operation of its civilian nuclear reactors in the event of disruption of foreign fuel supply.... (Interruptions)

Hon. Members will agree that these provisions will ensure that there is no repeat of our unfortunate experience with Tarapur.

Integrity and reliability of our strategic programme, autonomy of decision making and future scientific research and development

In my statements of March 7 and August 17, 2006, I had assured Parliament that the Separation Plan would not adversely affect our strategic programme, the integrity of the three-stage nuclear programme and the autonomy of our Research and Development activity. ... (Interruptions)

This agreement does not in any way impact on India's ability to produce and utilize fissile material for its current and future strategic needs. Our right to use for our own purposes our independent and indigenously developed nuclear facilities has been fully preserved. The Agreement also provides for non-hindrance and non-interference in our activities involving use of nuclear material, non-nuclear material, equipment, components, information or technology and military nuclear facilities produced, acquired or developed independently for our own purposes. ... (Interruptions)

Cessation of cooperation

An elaborate multi-layered consultation process has been included with regard to any future events that may be cited as a reason by either Party to seek cessation of cooperation or termination of the Agreement. Both Parties have agreed to take a number of factors into account in their consultations so that the scope for precipitate or unilateral action is reduced. Cessation of cooperation can be sought by the US only if it is prepared to take the extreme step of termination of the Agreement. India's right to take "corrective measures" will be maintained even after the termination of the Agreement. ... (Interruptions)

In the case of termination of this Agreement and cessation of cooperation by either Party, each has the right to seek return of nuclear material and equipment supplied by it to the other. However, before the right of return is exercised, the Agreement commits the Parties to consult and to take into

account specific factors such as national security, ongoing contracts and projects, compensation at market value, physical protection and environmental issues. India and the United States have agreed to consider carefully the circumstances that may lead to termination, including a party's concerns about a change in the security environment or a response to similar actions by other States that could impact on national security. The Agreement stipulates that the two parties recognize that exercising the right of return would have profound implications and consequences for their relations. ... (Interruptions)

From India's point of view, our primary objective is to ensure the uninterrupted operation of our nuclear reactors, in the context of the detailed fuel supply assurances provided in the Separation Plan and these are now reflected in full in the Agreement. The Agreement specifically states in regard to fuel supply assurances and India's right to take "corrective measures" that there will be no derogation of India's rights in this regard, including the right to take "corrective measures" to ensure the uninterrupted operation of its reactors. ... (Interruptions) This reflects the balance of obligations consistent with the understandings of the July Statement and the March Separation Plan.... (Interruptions)

... (Interruptions)

Among the significant and innovative features of this Agreement are specific mention of the right to run foreign supplied reactors 'without interruption' and to take 'corrective measures' in the event of fuel supply disruption. ... (Interruptions) This has been made possible by crafting the provisions in a manner that provide for explicit linkages and interlocking of rights and commitments contained in the Agreement. ... (Interruptions)

The Agreement does not in any way affect India's right to undertake future nuclear tests, if it is necessary in India's national interest. ... (Interruptions) Let me hence reiterate once again that a decision to undertake a future nuclear test would be our sovereign decision, one that rests solely with the Government. There is nothing in the Agreement that would tie the hands of a future Government or legally constrain its options to protect India's security and defence needs. ... (Interruptions)

If I might sum-up, this Agreement does not in any way inhibit, restrict or curtail our strategic autonomy or capabilities. Our rights to pursue our three-stage nuclear power programme remain undiluted. ... (Interruptions) In the unlikely event of cessation of cooperation, there is no derogation of our

rights with regard to corrective measures. Our reprocessing rights are upfront and are permanent in nature. Advanced R&D programmes and IPR Protection are fully safeguarded. ... (Interruptions)

Mr. Speaker, Sir, as I have said, this is an Agreement for cooperation between India and the US on peaceful uses of nuclear energy. Its genesis is the shared perception between India and the US that both our countries need to address their energy challenges, and address them in a manner that is sensitive to concerns about the environment. ... (Interruptions) For India, it is critically important to maintain our current GDP growth rate of 8 to 10 per cent per annum if our goal of eradicating poverty is to be achieved. The energy implications of this growth rate over the next couple of decades are enormous. ... (Interruptions) Even if we were to exploit all our known resources of coal, oil, gas and hydropower, we would still be confronted with a yawning demand and supply gap. ... (Interruptions)

India's three-stage nuclear power programme holds immense promise for the future. The unique thorium-based technology would become an economically viable alternative over a period of time following sequential implementation of the three stages. ... (Interruptions) We must, in the meanwhile, explore and exploit every possible source of energy. Nuclear energy is a logical choice for India. Indigenous supplies of uranium are highly inadequate and hence we need to source uranium supply from elsewhere. ... (Interruptions) In a globalised world, technology is always a premium item and we look forward to expanding our horizons in this regard as well. We intend to carry forward our cooperation with other countries in civil nuclear energy, in particular, with major nuclear suppliers such as Russia and France. ... (Interruptions)

We already have a comprehensive nuclear infrastructure. We have a corps of skilled and technically qualified manpower in this sector. ... (Interruptions) It makes sense for us to leverage this valuable asset. As hon. Members are aware, our target for the year 2020 is 20,000 MW of nuclear power generation.... (Interruptions) It is quite modest. However, if international cooperation once again became available, we could hope to double this target.... (Interruptions)

On the basis of the Indo-US bilateral Agreement and the finalisation of an India-specific Safeguards Agreement with the IAEA, which is being taken up shortly, the Nuclear Suppliers Group is expected to adapt its guidelines to enable international commerce with India in civil nuclear energy and all dual use technologies associated with it. This would be the beginning of

the end of the technology-denial regimes against India that have been in existence for over three decades. ... (Interruptions)

Apart from its direct impact on our nuclear energy programme, this Agreement will have major spin-offs for the development of our industries, both public and private. High technology trade with the US and other technologically advanced countries will expand rapidly. ... (Interruptions)

I wish to draw attention to another major gain for India from this initiative. We will be creating opportunities for our scientists to participate in the international exchange of scientific ideas and technical know-how and to contribute to the global effort to deal with the world-wide challenges of energy security and climate change. This includes the International Thermonuclear Research Reactor or ITER project, in which India has already joined as a full and equal member along with a handful of technologically advanced countries. ... (Interruptions)

In discussions on this subject, questions have been raised about Government's commitment to an independent foreign policy. I have clearly spelt out the Government's position in this regard in my statements to Parliament in March and August, 2006. I had specially underlined that the pursuit of a foreign policy that is independent in its judgement is a legacy of our founding fathers and an abiding commitment of our Government. India is too large and too important a country to have the independence of its foreign policy taken away by any power. Today, India stands on the world stage as an influential and respected member of the international community. There is independence in our thought and independence in our actions. ... (Interruptions)

I would like to reiterate that our engagement today with all global powers like US, Russia, China, EU, UK, France, Germany and Japan is unprecedented. Engagement with West, East, South East and Central Asia has been significantly stepped up with visible results. We are building new frontiers in our ties with Africa and Latin America. In South Asia we seek to develop a peaceful environment, one which is conducive to ambitious developmental targets. I urge those who question our commitment to an independent foreign policy to display the same degree of confidence in India, as others from outside do. ... (Interruptions)

Sir, thus, there is no question that we will ever compromise, in any manner, our independent foreign policy. We shall retain our strategic autonomy. At the same time, we must not forget India's long-standing commitment to the

noble ideas of nuclear disarmament and our refusal to participate in any arms race, including a nuclear arms race. Our commitment to universal, non-discriminatory and total elimination of nuclear weapons remains undiminished. It was this vision of a world free of nuclear weapons which Shri Rajiv Gandhi put before the UN in 1988 and this still has universal resonance. ... (Interruptions)

Sir, we remain committed to a voluntary, unilateral moratorium on nuclear testing. We are also committed to negotiate a Fissile Material Cut-off Treaty or FMCT in the Conference on Disarmament. India is willing to join only a non-discriminatory, multilaterally negotiated, and internationally verifiable FMCT, as and when it is concluded in the Conference on Disarmament, subject to it meeting our national security interests. ... (Interruptions)

Despite changes in Government and changes in political leadership we have always tempered the exercise of our strategic autonomy with a sense of global responsibility and with a commitment to the ideals of general and complete disarmament, including global nuclear disarmament. This Government believes that our commitment to these ideals and our efforts to realize them must continue, and continue with even greater vigour, now that we are a nuclear weapon state. The possession of nuclear weapons only increases our sense of responsibility and does not diminish it ... (Interruptions)

Pending global nuclear disarmament India has maintained an impeccable non-proliferation record. As a responsible nuclear power, India will not be the source of proliferation of sensitive technologies. We stand for the strengthening of the non-proliferation regime as the infirmities in this regime have affected our security interests. We will work together with the international community to advance our common objective of non-proliferation... (Interruptions)

There are now other landmarks to cross before the goal of India joining the international mainstream as a full and equal partner becomes a reality. We have to finalise an India-specific Safeguards Agreement with the IAEA. Thereafter, the Nuclear Suppliers Group has to agree, by consensus, to adapt its guidelines, we expect without conditions, to enable nuclear commerce with India and to dismantle the restrictions on the transfer of dual use technologies and items to our country. The US Administration is to secure requisite approval from the US Congress. The completion of these next steps will mark the practical realization of this initiative... (Interruptions)

Our negotiators deserve credit for delivering to the nation an Agreement, which can potentially transform the economic prospects of our country. It is an Agreement that will enable us to meet the twin challenges of energy security and environmental sustainability, and remove the technology denial regimes that have, for decades, been a major constraint on our development. At the same time, it will bring India the recognition it deserves thanks to the outstanding achievements of our scientists in nuclear and space sciences as well as other high technology areas.

SHRI BASU DEB ACHARIA : Sir, the Indo-US Deal is against the interest of the nation. This will adversely affect our independent policy. We are opposed to the harmful provisions of the Hyde Act. The Nuclear Deal should be renegotiated. That is why, we are walking out in protest of this.

(At this stage, Shri Basudeb Acharia and some other Hon. Members left the House.)

DR. MANMOHAN SINGH: Mr. Speaker Sir, this historic initiative has received the steadfast support of President Bush and senior members of his Administration. The strengthening and enhancement of our bilateral relations is an objective that has received his unstinting personal support and commitment. This Agreement is a shining example of how far we have progressed... (Interruptions)

Finally, Sir, let me end by saying that we have achieved an Agreement that is good for India, and good for the world. I am neither given to exaggeration nor am I known to be self-congratulatory. I will let history judge; I will let posterity judge the value of what we have done through this Agreement. In days to come it will be seen that it is not just the United States but nations across the world that wish to arrive at a new equilibrium in their relations with India. This agreement with the United States will open new doors in capitals across the world. It is another step in our journey to regain our due place in global councils. When future generations look back, they will come to acknowledge the significance of this historic deal... (Interruptions) Thank you, Sir.



092. Press release of the Prime Minister's Office on meeting with General Secretary of the Communist Party of India (Marxist) Prakash Karat to discuss issues connected with bilateral Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, August 14, 2007.

The Prime Minister, Dr. Manmohan Singh and the External Affairs Minister, Shri Pranab Mukherjee met Shri Prakash Karat, General Secretary of the CPI (M), here today and discussed the issues connected with the bilateral Civil Nuclear Cooperation Agreement between India and the United States.

Some of the points regarding the agreement were discussed. The CPI (M) General Secretary stated that he would put it to the party's politburo which will meet over the week end.

Shri. Karat and the Prime Minister reiterated that efforts would be made to sort out the issues¹.



1. Media report said that soon after the breakfast meeting, Mr. Karat had a meeting with Communist Party of India general secretary A.B. Bardhan and briefed him on the deliberations. Mr. Karat told *The Hindu* that the Government presented its view and he reiterated the Left parties' stand, including the suggestion that the deal not be operationalised. He highlighted the apprehensions on the implications of the Hyde Act passed by the U.S. Congress. The Prime Minister also spoke to West Bengal Chief Minister Buddhadeb Bhattacharjee on the nuclear issue.
(The BJP Parliamentary Party met under the chairmanship of L.K. Advani and decided to press for a debate in the Lok Sabha under Rule 184 and in the Rajya Sabha under Rule 168. BJP spokesperson Vijay Kumar Malhotra told journalists that the party hoped that when a discussion took place in Parliament, "parties opposed to it would show their opposition through vote." At the meeting, Mr. Advani said that since the Jana Sangh days, the party was in favour of the country possessing a nuclear bomb.)

093. Response of the Official Spokesperson to a question regarding Australian Prime Minister's telephone call to Prime Minister.

New Delhi, August 16, 2007.

The Prime Minister of Australia Mr. John Howard called Prime Minister Dr. Manmohan Singh today to inform him of the decision of the Australian Government regarding sale of uranium¹ to India. The Prime Minister thanked Prime Minister Howard. It was agreed that the matter would be discussed further at the official level.



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1. On the day (August 16) the Australian Prime Minister Howard informed Prime Minister about Australian decision to sell uranium to India, addressing a press conference in Canberra he drew parallels between India, on one side, and China as also France and even Taiwan, on the other. He said: "It will strike many Australians as very strange that it is acceptable to sell uranium to China but it is not, no matter what arrangements you have, acceptable to sell uranium to India. In the 1990s, before France signed the Nuclear Non-Proliferation Treaty, we sold uranium to France, and we also sold uranium to Taiwan." Asked about the reaction by Pakistani leaders, he said "that could, in part, be influenced by the context of sensitivity between India and Pakistan regarding uranium." He said the uranium sales would be "one key element of a comprehensive package of measures" that Canberra "is taking to strengthen" ties with India. Hailing India as "the world's largest democracy," he described it as "an increasingly influential regional power, and an important potential strategic partner." Australian Foreign Minister Alexander Downer had, earlier, indicated that plans to enter into an exclusive safeguards pact with India could be benchmarked against Canberra's uranium export accords with China, the U.S, and the U.K. He cited economic data to reinforce the case. He said "In Australia, it will create increased exports and jobs over the longer term. The [uranium] industry already generates 658 million Australian dollars annually in exports. And, India will be a large and growing market. India will build 11 new [civil nuclear] reactors ... and need up to 12,000 tonnes of uranium per annum to [the year] 2032 ... The use of nuclear power today already reduces global emissions [of greenhouse gases] by more than two billion tonnes a year." It may be recalled that when the Australian Foreign Minister Alexander Downer met the EAM Mr. Mukherjee on July 31 in Manila on the sidelines of the ASEAN meetings he "assured" India of "cooperation" in the civil nuclear energy sector. Mr. Downer, making an independent statement, hailed the successful completion of negotiations between India and the United States as a "very positive and historic development ... which is very much in Australia's interest." He emphasised that "the relationship between Australia and India has never been stronger." As economic partners, and "on security and strategic issues, Australia and India are collaborating at a level not seen before." Briefing Indian journalists in Manila Mr. Mukherjee said Mr. Downer had told him that "the Australian Cabinet will soon be considering the issue of sale of uranium to India." Australia had

expressed its willingness to "cooperate" with India in the Nuclear Suppliers Group (NSG) so that its guidelines could be amended for the supply of know-how and equipment to India in the civil atomic energy sector. However, "nothing can be done without the International Atomic Energy Agency's India-specific arrangement," which was one of two issues "required to be done," Mr. Mukherjee said. Noting that "Australia is becoming an important source for resources for the rapidly growing Indian economy," he said Canberra's uranium supplies could follow the finalisation of the IAEA's India-specific arrangement." Asked whether Canberra had indicated that its proposed uranium supplies would be bench-marked against Australia's recent accord with China for the supply of the same resources, Mr. Mukherjee said, "Don't try to compare [India] with China . Because, China is a nuclear-weapon state, which India is not [under the Nuclear Non-Proliferation Treaty]." Mr. Downer said the U.S.-India civil nuclear initiative "will have important non-proliferation and environmental benefits." Australia, he said, "shares with the IAEA the goal of engaging with India as a constructive and responsible partner in preventing proliferation of weapons of mass destruction." "It is in the international community's interest" that India, with "advanced nuclear technology," had now agreed to sustain its own nuclear weapon-testing moratorium. The above development was welcome particularly in the backdrop of earlier pronouncements from Australia. On May 23, Australian Minister for Federal Resources Mr. MacFarlane had categorically rejected any possibility of uranium sale to India unless it signed the NPT. "The Australian uranium industry can prosper without India, that's my answer. We have a prohibition on the basis they have not signed the NPT," he told The Age newspaper. It may be recalled that during the visit of Prime Minister's Special Envoy Shyam Saran to Australia in March, the Australian Prime Minister Mr. Howard appeared to leave open the prospect of Australian uranium sales to India when he said, "We see India as a very responsible country. The relationship between Australia and India is growing. It's a very important relationship. They will be considerations that we will bear in mind."

094. Statement of External Affairs Minister Pranab Mukherjee in the Lok Sabha on certain issues in respect of Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, August 16, 2007.

... (*Interruptions*)

The Minister of External Affairs (Shri Pranab Mukherjee): Sir, the hon. Members, in the morning, raised certain issues in respect of the deal with the US on the authority of the nuclear test ... (*Interruptions*)

... (*Interruptions*)

We did not have any authentic version of the statement of the spokesperson of the State Department of USA¹. But as the hon. Members raised this matter on the basis of the media reports, I think, I should clarify the position and I am doing so now.

India has the sovereign right to test and would do so, if it is necessary in the national interest. The only restraint is our voluntary unilateral moratorium on nuclear testing, declared by the previous Government and being continued by the successor Government. There is nothing in the bilateral agreement that would tie the hands of a future Government or legally constrain its options. A decision to undertake a future nuclear test would be India's sovereign decision, resting solely with the Government of India. ... (*Interruptions*)

... (*Interruptions*)

Shri Pranab Mukherjee: Nowhere – I repeat, nowhere – in the bilateral agreement on Cooperation for Peaceful Uses of Nuclear Energy with the United States of America, is testing mentioned. The bilateral cooperation agreement contains elaborate provisions in Articles 5 and 14 to ensure the continuous operation of India's reactors. These include fuel supply assurances, the right to take corrective measures, and a strategic fuel reserve for the lifetime of India's reactors in case of cessation of cooperation¹.

Thank you.



1. What exactly did U.S. State Department spokesperson Sean McCormack said that led to the question being raised in Parliament? Did he say that the deal "will be terminated" if India conducted a nuclear test? Or did he say the proposed 123 agreement had

provisions that in the event of a nuclear test, all nuclear cooperation would be terminated? Mr. McCormack's statement on the testing issue is not mentioned in the U.S. State Department's transcript of the press conference of August 15. *The Hindu* quoting diplomatic sources trying to find out the authenticity of the statement, but could not. On the basis of media reports, they felt Mr. McCormack was approached at the end of the news conference the previous day and probably gave out the two sentences that was raised in Parliament. Their subsequent interpretation by the media led to further confusion among strategic analysts. His original statement in all probability was: "The proposed 123 agreement has provisions in it that in the event of a nuclear test by India, then all nuclear cooperation is terminated." The word testing is not to be found in any of the nine sub-clauses dealing with termination and cessation of civil nuclear cooperation. The External Affairs Minister's position was further fortified the next day (August 17) by the Chairman of the Atomic Energy Commission Anil Kakodkar in his inaugural speech of the new premises of the Centre for Applicable Mathematics of the Tata Institute of Fundamental Research (TIFR) in Bangalore. He said there was no prohibition on conducting a nuclear test in the 123 agreement. Allaying fears that India's sovereignty might be undermined with the nuclear deal, Dr. Kakodkar said: "Everything (about the deal) has been worked out in great detail, especially regarding the nuclear test. In the text there is a no-hindrance clause, which states that there will be no hindrance to the activities of both the countries outside the co-operation... There will also be no hindrance from outside to domestic activities." Stating that India's nuclear-related activities would not be affected if the deal was ever terminated, he said: "In order to make sure that the cessation and termination does not create difficulties with running the nuclear programme, a series of steps have been defined...It has to go through a process and cannot be abrupt." The agreement provided for the creation of a strategic stockpile to last the lifetime of the reactor. The fuel could come from the United States or other sources, thereby ensuring continuity of supply. He said the agreement met the three requirements for a successful deal: the continuation of India's research and development; the continuation and enlargement of the three-stage nuclear power programme; and the conduct of India's autonomous strategic programme. "We have our own domestic nuclear policies which we have announced, which remain unchanged and in place." However in Washington the spokesman of the State Department McCormack said "I think you're all familiar with the provisions in the 123 Agreement. And certainly, that provides the (US) President options in acting, in the event that there is a test." When asked whether the US fear that India may one day continue with its nuclear tests, he said that the US does not encourage any country to test nuclear device. "...a variety of officials from the US have said essentially the same thing, and that is that we are not testing and I don't see advanced nuclear countries around the world testing. And certainly, we don't encourage other states to do that," he said. "But, you know, again, the whole issue, is India is sovereign, but we're not encouraging any states to test at this point," he added.

095. Report on the speech of Chairman of the Atomic Energy Commission Anil Kakodkar at the Centre for Applicable Mathematics of the Tata Institute of Fundamental Research.

Bangalore, August 17, 2007

There is no prohibition on conducting a nuclear test in the 123 agreement inked between India and the United States, Anil Kakodkar, Chairman of the Atomic Energy Commission and Secretary of the Department of Atomic Energy said in Bangalore on the 17th August. He was speaking at the inauguration of the new premises of the Centre for Applicable Mathematics of the Tata Institute of Fundamental Research (TIFR).

Allaying fears that India's sovereignty might be undermined with the nuclear deal, Dr. Kakodkar said: "Everything (about the deal) has been worked out in great detail, especially regarding the nuclear test. In the text there is a no-hindrance clause, which states that there will be no hindrance to the activities of both the countries outside the co-operation... There will also be no hindrance from outside to domestic activities." Stating that India's nuclear-related activities would not be affected if the deal was ever terminated, he said: "In order to make sure that the cessation and termination does not create difficulties with running the nuclear programme, a series of steps have been defined...It has to go through a process and cannot be abrupt."

The agreement provided for the creation of a strategic stockpile to last the lifetime of the reactor. The fuel could come from the United States or other sources, thereby ensuring continuity of supply.

He said the agreement met the three requirements for a successful deal: the continuation of India's research and development; the continuation and enlargement of the three-stage nuclear power programme; and the conduct of India's autonomous strategic programme. "We have our own domestic nuclear policies which we have announced, which remains unchanged and in place."



096. Speech of Prime Minister Dr. Manmohan Singh while laying the foundation stone of Rajiv Gandhi Urja Bhavan.

New Delhi, August 20, 2007.

This is a very proud and solemn moment for all of us. I am very happy to be here today to lay the foundation stone of the "Rajiv Gandhi Urja Bhavan". In doing so, I join all of you and millions of our countrymen in honouring the memory of a great son of India. We pay tribute to Rajivji's commitment to India's energy security by observing this day as 'Akshay Urja Divas.' I am very happy that Soniaji is present on this auspicious occasion. Her deep and abiding commitment to the ideas and ideals we associate with Shri Rajiv Gandhi is a source of tremendous inspiration for our people.

Shri Rajiv Gandhi was a visionary. He thought about the future of the nation and was passionately committed to the development of a modern India. As a visionary, dreamer, idealist and an energetic leader, he wanted to harness modern science and technology for the development of our country and for the welfare of our people.

Rajivji's dreams in the fields of telecommunication and information technology have been realized to a very substantial degree and we see it all expressing itself in our everyday life. In laying the foundation stone for this building we recognize Rajivji's deep and abiding commitment to India's energy security. India's sustained economic development is vitally dependent on our energy security and on the simultaneous promotion of sustainable and environment friendly energy technologies.

Today, when we aim for a 10% growth rate, we must recognize the critical importance of energy security. By energy security, I refer not merely to the assurance of the supply of energy in ample quantities. Real energy security implies assured supply of good quality energy at affordable prices. India's energy needs, which will grow with the pace of economic development, cannot be met with oil and gas for long. Currently, the total domestic production by Indian companies is less than 1/3rd of our current domestic consumption of hydro-carbons.. As we know, oil and gas reserves in India are quite limited though there is always a scope to discover a new reserve through exploration. As we grow, our growing import bill for imported crude oil will put an unbearable and unsustainable burden on our economy.

These facts compel us to think of a new strategy to deal with the rising energy demand. We need, therefore, a new paradigm of energy security to

address our development needs. This paradigm would have to focus on several issues: a less-energy intensive path of development, an increasing use of non-conventional and renewable energy sources, also aimed at reducing carbon emissions, and improving efficiency in production and consumption. Such a strategy would have to be based on coordinated development and judicious use of domestic as well as global resources. This will require exploring new technological options, new financing means, identifying new sources and building new bridges with new partners including global partners.

We need, therefore, to develop all our energy resources, viz, coal, gas, oil, hydro and nuclear along with renewables, such as wind and solar power. Moreover, there are many options of using alternative fuels and technologies. From a long-term perspective, nuclear energy and solar energy can play an important role in addressing our energy security needs. Our Government is committed to the development of nuclear energy. As for solar energy, we are blessed with an abundance of this source and it could be a major energy resource in years to come. We must, however, invest more in Research and Development for commercial use of solar energy. We also need to examine the potential of hydrogen as a fuel of the future. Hydroelectric resources too should be optimally utilised to reduce our dependence on fossil fuels.

Several non-conventional energy resources fall in the domain of high technology, and are presently commercially not viable. The immediate need is to develop these technologies to make such energy available to the masses in the shortest possible time.

Our National Common Minimum Programme has made a commitment to develop our renewable energy potential. Our Government has launched the Rajiv Gandhi Vidyutikaran Yojana to provide electricity to all households by the year 2009.

I am very happy to know that Rajiv Gandhi Urja Bhawan will undertake holistic research in all forms of clean and renewable energy sources to make Rajivji's dream come true. The technologies that will emerge from here will have to be commercially viable. Energy is a scarce resource. We must learn to properly price this resource. Energy supply should be economically viable and environmentally friendly. I am happy to learn that this R&D center will focus on commercial viability of alternative technologies and energy sources.

It is extremely important that our people are made aware of the economics of energy. In our country we have excessively interfered with proper energy pricing. Each time our utilities have to raise rates and our oil companies have to raise prices, extraneous considerations come in.

I urge all political parties to appreciate the vital national interest of pursuing a sound energy security strategy. India is on the move and we must be able to address our growing energy demand. No Government can afford to shirk this responsibility and hope to find favour with the people. That would not have been Rajivji's approach to such matters of vital national importance.

I congratulate the Ministry of Petroleum and Natural Gas, ONGC and Rajiv Gandhi Urja Bhawan for beginning this new great venture, aimed at addressing the challenges facing our Energy Security. I assure you of our government's full support for all your worthy endeavours.



**097. Interview of External Affairs Minister Pranab Mukherjee
with the daily *Indian Express*.**

New Delhi, August 21, 2007.

[External Affairs Minister Pranab Mukherjee has emerged once again as the troubleshooter for the UPA as it navigates its deepest crisis ever. In between attending Parliament and office, he spoke at length with The Indian Express on the future of the Indo-US nuclear deal, his attempts to get the Left to budge. Excerpts:]

So, the Indo-US nuclear deal is on course?

There are different stages (of the deal). We have initialed, not signed it. We have initialed separate texts of the 123 agreement. The next step is we negotiate with IAEA for India-specific arrangements. That negotiation has not yet started. Then we have to go before the Nuclear Supplier Group (NSG). There are 45 countries and we have to meet them all. They have to agree - via consensus, not voting - to amend the guidelines to agree to supply nuclear material to India. The third process, of course, is ratification by the US Congress. The Congress will either vote for it or they will reject it. Unless all these processes are complete, one cannot say the deal is over. At best, you can say it's in process.

Do you expect the political crisis to affect the various stages in this process?

Diplomacy never works like that. That you start here today, then stop and restart. It's a continuing process. Talks are going on with these 45 countries for the last two years. But it will be wrong to presume that anything has been finalized in any of these areas.

Is there a fallout of the Left's opposition on India, internationally?

That you will still have to assess. Ten-12 days have passed since Parliament session began but there have been hardly any proceedings. It's too early to make an assessment of the impact of this opposition on the international community. But surely people know that in a large democracy like India there will be divergence of views. So what is happening is not unexpected.

What are the implications of India backing off from the deal at this stage?

There are always implications. Every international agreement has its implication. Therefore, agreements are meant for implementation not for fun. For India, this agreement is important because of access to nuclear energy and access to high technology.

You are the chief troubleshooter, after a week of discussions with the Left, you think they have a case to feel ignored?

All this has not to do with something off-the-cuff. There has been a process of discussion and debate. It began during the Prime Minister's visit to USA in July 2005. Then there was a Joint Statement of the two leaders and a discussion in Parliament, discussion in the Cabinet, discussion in the political establishment. After the passage of the Hyde Act in December 2006, there was another discussion. It hasn't been as if someone decided one day that the deal has to be done.

Was there enough consultation with the Left?

It's not as if they did not protest (earlier). But they expressed their satisfaction when all queries were answered by the Prime Minister in October 2006. All points raised by Mr (Sitaram) Yechury were answered by the Prime Minister. Therefore, when negotiators started negotiating on the text of the 123 agreement, we told them what our parameters were. These parameters included the separation plan of 2006, the PM's commitment to Parliament.

Now our contention is that in the text of the agreement we have been able to get these points of view fully listed. Their point is that fine, up to August 2006 you got it reflected, but after that in December 2006, the Hyde Act was passed and they are not accepting our explanation - the position we are taking is that the Hyde Act is an enabling provision and there are two contracting parties in the Hyde Act. India is not a party to it. The relevant parties are the US administration and the US Congress. The Hyde Act binds only them.

But they say, no, the Hyde Act binds them (USA) but in the Hyde Act there is a provision that the implementation of the 123 agreement will be as per national law and as the Hyde Act constitutes their national law so they are taking a different view.

Is this justified?

I feel the Hyde Act has no relevance because substantial parts of the Hyde Act and the concerns expressed by the Left are in the sections which are advisory in nature. And in December 2006, as per President Bush's administration, they said that by mere signing the Act and putting my assent does not construe my adoption of the philosophy or the foreign policy of the nation because many of these areas are of an advisory nature. And I am sticking to that. But the Left says no, this is not merely advisory, they are binding in nature and that is why they have asked for this assessment.

How difficult has the last week been?

When you are running a coalition this type of differences come up. We have to admit that we do not have a simple majority...we have to carry others who are supporting us. We have to carry the UPA partners and Left supporters since they are an important component of our Government. To what extent we shall be able to succeed or not, only the future will tell.

So you are continuing your efforts to end the impasse?

We want to carry the Left with us. I don't know if I will succeed. At the same time, I don't believe in pessimism.

If the Left withdraws support, is mid-term poll a possibility?

I do not know because up to now, I have not heard anything about of that sort. They have said that if you proceed further there will be serious consequences.



098. Welcome Address by Dr. Anil Kakodkar at Tarapur Atomic Power Station 3&4 dedication function.

Tarapur (Maharashtra), August 31, 2007.

All of us in the atomic energy family are extremely delighted to welcome our Prime Minister Dr. Manmohan Singh here at Tarapur today. Tarapur has the proud privilege of hosting country's first nuclear power station as also the latest and largest power unit designed and built indigenously based on our own domestic technology. The two 540 MWe Pressurised Heavy Water Reactor Units that would be dedicated to the nation by our Prime Minister are state-of-the-art nuclear power plants that compare well with the latest international bench marks. The same design with suitable modifications would become the 700 MWe unit, that would be the next PHWRs to be constructed in our country.

PHWRs constitute the first stage of our three stage nuclear power programme and feed the fuel to fast reactors in the second stage where alongwith power generation, we also would produce more fuel, propelling growth without dependence on mining or import of uranium. Fast reactors would, thus, enable large scale deployment of thorium based power generation systems which undoubtedly remain the key element in our search for long term energy independence based on energy resources available within the country.

We will continue to pursue our robust three stage development programme with accelerated pace and with full confidence to achieve the essential long term objective at the earliest possible time. We are, however, conscious of the pressing energy need today and we are fully prepared to bring in additionalities through international civil nuclear cooperation. The possible unshackling of the technology embargo regime that has operated around us for decades without success, is a welcome opportunity which we should be able to exploit without any adverse impact on our autonomous domestic research and development and implementation of our three stage nuclear programme.

I would like to use this opportunity to thank our Prime Minister for his leadership role in efforts to secure for India a rightful place in Committee of Nations and I, on behalf of my colleagues assure him that we would spare no efforts as always to support these efforts by way of national technological capability and bring benefits to the nation through technology, energy and

national security. In so doing, we will further consolidate ourselves as a responsible country with advanced nuclear technology.

Let me also use this opportunity to welcome H.E. Shri S.M.Krishna, Governor, Maharashtra, Shri Vilasrao Deshmukh, Chief Minister, Maharashtra, Shri Prithviraj Chavan, Minister of State in PMO, Shri M.K.Narayanan, National Security Adviser and all other dignitaries, colleagues and friends present here. We have been the beneficiaries of your continued support and encouragement.

Finally, I would like to once again congratulate all my colleagues involved in Tarapur 3&4 projects on this important occasion when result of their outstanding and unique efforts is being dedicated to the service of the nation by the august hands of our Prime Minister.



099. Speech of Prime Minister Dr. Manmohan Singh while dedicating the Tarapur Atomic Power Station -3 & 4 to the nation.

Tarapur (Maharashtra), August 31, 2007.

I am truly honoured to be here today for the dedication of Units 3 and 4 of the Tarapur Atomic Power Station to the Nation.

Tarapur is where India's quest for developing nuclear energy began in 1969. Tarapur is a shining example that India can do it; that we can overcome hurdles. It, therefore, holds special significance for our country's journey towards the building of a strong and self-reliant economy. Tarapur stands as a tribute to the visionary leadership of Pandit Jawaharlal Nehru and Dr. Homi Bhabha and to all those nuclear scientists and engineers who have helped to translate that magnificent vision into reality. Their hard work has today earned us a place among the leading nations of the world in the area of nuclear technology. On behalf of a grateful nation, I salute all the scientists and engineers for this great national effort.

I would particularly like to compliment the Nuclear Power Corporation of India and all those in the Department of Atomic Energy, Indian industry, our R&D facilities and Universities who have made the development of TAPS 3 and 4 possible. It is truly an outstanding effort, achieved in the face of adverse circumstances and challenges of the last few decades. I

congratulate each and every one of you. This is a moment of pride for all Indians.

The development of our indigenous capability in the area of nuclear power generation demonstrates that where there is a will there is a way.

Starting from humble beginnings in the 1960s, the country today has seventeen power reactors, largely Pressurized Heavy Water Reactor plants. Those that we have developed are state-of-the-art facilities. As we move forward on development of fast breeder reactors and thorium reactors, I have no doubt that we would in the future exercise global leadership in these technologies.

There can be no greater tribute to our capabilities than the fact that Units 3 and 4 of TAPS have been commissioned ahead of schedule and well within the sanctioned cost.

Why do we place so much importance on nuclear energy? I have no doubt whatsoever that the sustainability of our long-term economic growth is critically dependent on our ability to meet our energy requirements of the future. When a country of the size of India begins to grow at the rate of 9% per annum, with the prospect of even higher rates of growth, energy becomes a critical issue.

A lot has been written and said on what our energy requirements will be. A few simple truths stare us in the face. First, our proven resources of coal, oil, gas and hydropower are totally insufficient to meet our requirements. Second, we do not enjoy the luxury of an either - or choice. India needs energy from all known and likely sources of energy. Third, the energy we generate has to be affordable, not only in terms of its financial cost, but in terms of the cost to our environment.

Nuclear power is recognised as an important and environmentally benign constituent of the overall energy mix. There is today talk the world over of a nuclear renaissance and we cannot afford to miss the bus or lag behind these global developments.

We are fortunate to have vast thorium resources, which we must harness. India's three-stage nuclear power programme thus forms the bedrock of our long-term strategy. This unique thorium-based technology will become an economically viable alternative over a period of time.

At the same time, our uranium resource base is limited. We have, therefore,

consciously opted for a closed fuel cycle approach ever since the beginning of our nuclear power programme. We need to expeditiously develop fast reactor technologies and intensify efforts to locate additional uranium resources in the country. Government will extend its full support in this regard.

Even as we pursue our three-stage programme, it is necessary to look at augmenting our capabilities. We need to supplement our uranium supplies from elsewhere even as the DAE has taken a number of laudable steps to maximize output within the limited resources. We must take decisive steps to remove the uncertainties that result from shortfall in fuel supplies to avoid disruptions in our nuclear power production programme.

We need to pave the way for India to benefit from nuclear commerce without restrictions. We need to enable our industries to gain access to cutting edge technology, and we need to create opportunities for our scientists to participate in the international exchange of scientific ideas and technical know-how.

We have set a modest target of 20,000 MW of nuclear power generation by the year 2020. This can be doubled with the opening up of international cooperation.

This cooperation will not be dependent on any one country and we will source supplies from many of the countries in the Nuclear Suppliers Group including the United States, Russia, France and Japan. However, our international cooperation with these and other countries cannot become effective until the Nuclear Suppliers Group adapts its guidelines to enable nuclear commerce with India. The NSG itself has made it clear that they will not do so till the India specific Safeguards Agreement with the IAEA is finalized.

Once these and other steps are taken, India can commence civil nuclear cooperation with all the 45 members of the Nuclear Suppliers Group. This will signal the end of our international isolation of the past few decades. India is now too important a country to remain outside the international mainstream in this critical area.

I have full confidence in our scientists and engineers and believe that the removal of iniquitous restrictions and shackles on our programme will enhance our indigenous capabilities. We will do nothing to hurt our capacity to solve our problems ourselves. The pursuit of self-reliance will continue to be the key principle of our policy. A strong nuclear energy programme is in our vital interest and is important for our scientific development, energy needs and national security. It will add to our capabilities and strength as a united nation.

With your dedication and track record of accomplishments, I am confident that our domestic technological capability will only grow in strength. Our country is fortunate to have a person of the eminence and distinction of Dr. Anil Kakodkar to guide the development of the country's nuclear programme.

Finally, I must also compliment all of you for the impeccable safety record of our nuclear industry.

With these words, I dedicate Units 3 and 4 of the Tarapur Atomic Power Station, India's first 540 MWe nuclear power plant, to the service of the Nation.



100. Statement made by External Affairs Minister constituting a Committee of certain political parties to go into the issues raised by the Left Parties in relation to the India - US Nuclear Cooperation Agreement.

New Delhi, August 31, 2007.

In view of certain objections raised by the Left parties on the Indo-U.S. bilateral agreement on nuclear cooperation, it has been decided to constitute a committee to go into these issues.

1. The composition of the committee will be announced shortly.
2. The committee will look into certain aspects of the bilateral agreement; the implications of the Hyde Act on the 123 Agreement and self-reliance in the nuclear sector; the implications of the nuclear agreement on foreign policy and security cooperation.
3. The committee will examine these issues. The operationalisation of the deal will take into account the committee's findings¹.



1. Some members of Parliament had demanded constitution on a Joint Parliamentary Committee to go into the issues. The Government, however on August 31 rejected the demand for a Joint Parliamentary Committee (JPC). Clarifying the position of the Committee in the Lok Sabha on the same day, External Affairs Minister Pranab Mukherjee said there would be no JPC on the deal since no international agreement had ever been subjected to the scrutiny of Parliament. "This is an internal arrangement between the United Progressive Alliance and the Left," Mr. Mukherjee said. With regard to the character of the Committee the matter was further clarified by the Parliamentary Affairs Minister

Priyaranjan Dasmunsi, when he said the committee was not a government committee, but set-up between the coalition partners to sort out differences. The Government was aware that the matter was the property of the House, and it was committed to a debate. All political parties would be taken into confidence before the "final shaping [up] of things." Regarding discussions with the IAEA, Mr. Dasmunsi added, as no dates have been fixed for a meeting between India's representatives and the International Atomic Energy Agency, there cannot be any question of putting such negotiations "on hold." He was responding to persistent questions from the media whether the joint statement by the United Progressive Alliance and the Left parties on the India-United States nuclear deal implied that the government put further talks with the IAEA and the Nuclear Suppliers' Group "on hold" as had been demanded by the Left. The setting up of a committee to discuss with the Left the issues related to the deal was not a game of one-upmanship, he said. It was an effort to address the concerns expressed by supporting parties of the UPA. The Minister said there was no question of the UPA and the Left trying to put each other down. In his view, the key sentence in the joint statement meant that when the nuclear deal was operationalised the UPA would keep in mind the committee report. The findings of the committee and the preceding discussions "will strengthen the hands of the government." He insisted that no treaty or bilateral agreement was ever scrutinised by a Joint Parliamentary Committee since there was no requirement for that.

In pursuance of the above step to constitute the Committee, the names of the 15 members, six each from the Congress and Left parties and one each from UPA constituents RJD, DMK and the NCP were announced. Mr. Mukherjee was named the convenor of the committee while his cabinet colleagues A K Antony, P Chidambaram, Kapil Sibal, Saifuddin Soz, Prithviraj Chavan, Lalu Prasad of RJD, T R Baalu of DMK and Sharad Pawar will be the other members. It was announced that Left parties will be represented by Prakash Karat, Sitaram Yechury (CPI-M), A B Bardhan and D Raja (CPI), Debabrata Biswas (Forward Bloc) and T J Chandrachoodan of RSP.

The committee would go into certain aspects of the 123 bilateral agreement, implications of the Hyde Act on the deal, and self-reliance in the nuclear sector and the implications of the nuclear agreement on foreign policy and security cooperation.

101. Statement by Chairman of the Atomic Energy Commission Dr. Anil Kakodkar at the 51st General Conference of the International Atomic Energy Agency.

Vienna, September 19, 2007.

Mr. President,

Let me first of all congratulate you on behalf of my Government and on my own behalf, on your election as President of the 51st General Conference. I am sure, under your able Presidentship and with the support of your team and the Secretariat of the Agency; this General Conference will be able to accomplish the tasks before it.

I also take this opportunity to welcome the entry of Kingdom of Bahrain , Republic of Burundi , Nepal , Republic of Congo and Republic of Cape Verde to the membership of the International Atomic Energy Agency (IAEA).

Over the past half century, the growth of the Agency and India's nuclear energy programmes have evolved side by side. The Agency has contributed immensely to harness the benefits of nuclear energy and its applications for all mankind. India , home to a sixth of global population with a sound and time-tested philosophy of life, too has evolved its own nuclear technological capability, realised on the basis of self-reliant domestic development for the welfare of its people. Our Bhabha Atomic Research Centre Training School which has provided almost the entire human resource for our nuclear programme has also completed fifty glorious years and our Prime Minister was with us only a fortnight ago for the graduation function of its 50th batch.

On the occasion of its 50th anniversary, it is gratifying to recognise the unique place that the IAEA has within the UN system. The prestige, credibility and authority of IAEA in this new century rests to a very good measure on the consistent good work done by its Secretariat under the wise leadership of Dr El Baradei especially for the past critical decade. My delegation would like to pay handsome tributes to the Director General and the dedicated staff of IAEA for their professionalism, impartiality and core competence in serving the Member States in accordance with the Statute of the Agency. IAEA's achievements in the past half century have much to contribute to rekindled hopes for a peaceful atom in coming years.

Mr. President,

The world today is at the threshold of a paradigm shift. There is greater awareness today than ever before about the serious consequences to humanity as a whole arising out of the threat to global climate which seems to be at the cliff edge. This situation has come about as a result of unmindful and unsustainable use of fossil energy by a small fraction of world population in industrially advanced societies. On the other hand, a larger part of world population is now on a rapid economic development path. It would require enormous amounts of energy resources to bridge the deficit between the emerging demand and current supply which is very low in the developing world even compared to global average per capita energy consumption. It seems impossible to sustain a tension-free society with 20 or 30 times less per capita energy access in the current interdependent world so closely connected through modern-day communications. It is estimated that meeting development aspirations of these large populations which are now well capable of buying their necessities would raise serious energy sustainability issues and consequent escalation of fuel prices that would affect us all. One needs to look at nuclear energy in this context. Energy associated with processes involving the nucleus of an atom is several million-fold higher than the energy associated with processes that involve electrons that orbit around the nucleus. The latter forms the basis of energy through burning of fossil fuels. Thus, a kilogram of uranium can be a source of a million times more energy as compared to a kilogram of coal or a kilogram of hydrocarbons. Non-emission of greenhouse gases that have threatened the global climate is also a feature of nuclear energy that is catching the imagination of even some of those who earlier opposed it. As a matter of fact, nuclear energy released through fission or fusion of atomic nuclei and solar energy that we receive from the sun are the only two viable basic energy sources capable of meeting our long-term energy needs. We also cannot escape the fact that the sun derives its energy from nuclear fusion. There is, however, a serious fear of the unknown. Such concerns are natural and have been faced by humankind whenever there has been a paradigm shift in things around it. Whether it is in learning to live with fire or advancing from horse carriages to locomotives and automobiles, man has gone through similar dilemmas. But eventually, he has mastered the new technology and accessed its benefits, overcoming the fear of the unknown. In the absence of such foresight and conviction, we could not have made progress. In the case of nuclear energy we are, however, talking on an altogether different scale. Given the population pressure and the need to provide a

good quality of life to all, we must evolve ourselves as a society that can benefit from this high-intensity energy source without the risk of its misuse.

Mr. President,

India with its one billion plus aspiring population and one trillion dollar economy with steady 8% plus GNP growth requires enormous amounts of sustained and reliable energy supply. It is estimated that India would need around 7000 TWh of electricity annually and an additional and larger quantum of primary energy to meet requirements of fossil fluid fuel replacement. While accessing this huge energy supply is a major challenge, we are also fully conscious of the environmental impact of such growth in energy use particularly if it takes place in the business-as-usual mode. In this context, I would like to draw your attention to what our Prime Minister said at the recent Heiligendamm meeting and I quote, "India's GHG emissions are among the lowest in per-capita terms. Moreover, being only around 4% of the world's emissions, action by us will have a marginal effect on overall emissions. Nonetheless, we recognize wholeheartedly our responsibilities as a developing country. We wish to engage constructively and productively with the international community and to add our weight to global efforts to preserve and protect the environment. We are determined that India's per-capita GHG emissions are not going to exceed those of developed countries even while pursuing policies of development and economic growth. We must work together to find pragmatic, practical solutions, which are for the benefit of entire human kind". unquote

Mr. President,

India has been pursuing its robust three stage nuclear programme designed to maximize the energy potential from its domestic uranium and thorium resources and contribute around 25% share of electricity generation in the country by the year 2050. The objective is to realize the huge energy potential that is realizable from these nuclear energy resources without having to add to the global carbon dioxide burden. The programme is moving ahead steadily with the first stage consisting of indigenously developed Pressurised Heavy Water Reactors (PHWRs) well into a commercially successful programme. The second stage has commenced with the construction of 500 MWe Prototype Fast Breeder Reactor (PFBR) which is now fairly advanced. The third stage is about to begin with the start of construction of a technology demonstrator, the 300 MWe Advanced Heavy Water Reactor (AHWR). The three stages are being implemented

sequentially to reach the goal of large scale thorium utilization and are linked through their respective fuel cycles which are also well underway.

Kaiga-3 (a 220 MWe PHWR) which achieved its first criticality on 26th February, 2007 within 5 years from the first pour of concrete, was synchronized to the grid on 11th April, 2007 and started commercial operations on 6th May, 2007. With completion of Kaiga-3, there are now 17 nuclear power reactors in operation, the total installed capacity being 4120 MWe. The Indian nuclear power sector has achieved over 270 reactor years of safe, accident free operations. Major Ageing Management activities including Enmasse Coolant Channel Replacement (EMCCR) were completed in NAPS-1 and the reactor is expected to come back on-line shortly. With this, four PHWRs (RAPS-2, MAPS-1&2, NAPS-1) now have their coolant channels replaced.

The first cycle of Peer-reviews of all the operating stations by WANO has been completed. RAPP-5 unit has also undergone a Pre-Startup Peer Review by an expert team of WANO. This was the second review of its kind in India ; after TAPP-3 which was reviewed last year. The next Biennial General Meeting (BGM) of WANO will be hosted by India , in 2010 at New Delhi.

Construction activities are underway in full swing at six other reactors - three PHWRs, two LWRs and a 500 MWe PFBR. Of these, two reactors (RAPP-5 and Kaiga-4) would see start of fuel loading during the year. On completion of the reactors currently under construction, there will be 23 reactors in operation with installed capacity of 7280 MWe. The detailed design and engineering of the indigenous 700 MWe PHWR is progressing according to the set time schedule. The Government has given in-principle approval for setting-up of 4x700 MWe PHWRs at two sites and 4x1000 MWe LWRs at another two sites in the country. Establishment of a new Uranium mine and mill at Tummelepalle has also been approved by the Government.

For accelerating the growth of the fast reactors in the country, development of metallic fuel, which would offer high breeding capabilities is being carried out on priority with the aim of its deployment around the year 2020. The next four fast reactors after the PFBR, which are proposed to be commissioned by 2020 will however, continue to use oxide fuel. These future reactors will incorporate refinements in the design and construction, to achieve reduction in capital as well as operational costs, on the basis of experience with the PFBR. The objective is to bring down the unit energy cost substantially as compared to PFBR. Enhancement of the burn-up of the fuel from the present target of 100 GWd/t to 200 GWd/t is recognized

as an important step for reduction in the fuel cycle cost. Towards achieving this target, the development of advanced cladding and structural materials including the oxide dispersion strengthened alloy have been initiated. The expertise generated and the experience gained in this development process will be further harnessed for developing structural materials for the Test Blanket Module being developed by the Institute of Plasma Research as part of the fusion energy programme.

Towards closing the fuel cycle of PFBR, a fast reactor fuel cycle facility (FRFCF) has been planned with its construction to commence next year. The facility is expected to be operational, in time to process the irradiated fuel discharged from the PFBR. The production of the mixed oxide fuel for PFBR has already commenced.

I had mentioned in my last year's address in this Conference about excellent performance of our indigenously designed mixed carbide fuel for FBTR and about our successful reprocessing of the high burn-up carbide fuel from FBTR after a short cooling period. I am happy to inform that fissile material recovered from reprocessing has now been fabricated into mixed carbide fuel. This fuel will be loaded into FBTR during the next reload schedule. Closing the mixed carbide fuel cycle has been an important milestone for us in our fuel cycle activities related to fast reactor program. I may also add here that we are now operating FBTR with an expanded hybrid core consisting of mixed carbide and mixed oxide fuel. The high Pu MOX now forms about 20% of the FBTR core.

Mr. President,

We are looking forward to the possibility of opening up of international civil nuclear cooperation. We expect such cooperation to be sustainable, free from interruptions and consistent with our national policy of closed fuel cycle. With a view to significantly augment nuclear power generation capacity in the near-term through imports, as an additionality to the ongoing indigenous programme, a Site Selection Committee has evaluated coastal sites in the country for the reactors to be set up in a convoy mode.

The initiatives also open up the possibility of export of reactors and services. India today is the only country to have a live technology, design and infrastructure for small PHWRs with a unit capacity of 220 MWe, which have a great potential for export, particularly to countries with small grids wishing to enter nuclear power generation, with relatively modest investments and infrastructure. Given the large manufacturing base and

relatively low manufacturing costs, there is also a potential for India becoming a manufacturing hub for equipment and components for the global nuclear industry.

We have been actively pursuing the design and development of Advanced Heavy Water Reactor which will mainly use thorium based fuel and has several advanced safety features. In fact, this reactor would meet the objectives of a futuristic system that would have to meet higher safety, economics, sustainability, long term radioactive waste minimisation and proliferation resistance goals. Pre-licensing safety appraisal of this first-of-a-kind design was completed by the Indian Atomic Energy Regulatory Board. A large Critical Facility for validating reactor physics design of the unique core of the AHWR is under commissioning at BARC. We expect this facility to provide important data that would further improve our understanding of the thorium based reactors.

In the Compact High Temperature Reactor (CHTR) being designed in India , it will be possible to extend the core life up to a period of fifteen years. A liquid metal natural circulation loop employing Lead Bismuth Eutectic alloy as the coolant has been installed to study the CHTR behaviour. Parallely, designs of 600 MWt High Temperature Reactor (HTR) for hydrogen production and 5 MWt Multi-purpose Nuclear Power Pack (MNPP) are also currently underway.

India has been exploiting research reactors for basic research, neutron radiography, shielding experiments, testing of reactor components including neutron detectors, trace element analysis, etc. We are currently planning to construct a 30 MWt Multi Purpose Research Reactor (MPRR) capable of providing a maximum thermal neutron flux of 6.7×10^{14} n/cm²/sec and fast neutron flux of 1.7×10^{14} n/cm²/sec. The new reactor will meet the increasing requirements of high specific activity radio-isotopes and would also provide enhanced facilities for basic research in frontier areas of science and for applied research related to development and testing of nuclear fuel and reactor materials. Further, the reactor will have features to enable its conversion to an Accelerator Driven System at a later date.

The superconducting heavy ion LINAC project has reached a major milestone in July, 2007 with all seven accelerator modules energized to accelerate ²⁸Si beam to an energy of 209 MeV, highest achieved so far in the country.

We have indigenously developed another supercomputer named ANUPAM-AJEYA which has attained a sustained speed of 3.70 Teraflops, twice that

of the speed of its earlier version ANUPAM-AMEYA system. The new system comprises 256 dual-core, dual CPU computing nodes, each processor running at 2.66 GHZ with 4 GByte of main memory. The system will be upgraded shortly to achieve speed exceeding 4 Teraflops.

Our contributions in the area of nuclear agriculture, biology and health have always been significant. As of now, 29 crop varieties have been gazette notified by the Ministry of Agriculture, Government of India for commercial cultivation in the country. For processing of biodegradable waste, 14 indigenously developed Nisargruna biogas plants have been set up in the country so far. On April 26, 2007, KRUSHAK Irradiator at Lasalgaon in the State of Maharashtra became the first Cobalt-60 gamma irradiation facility to be certified by the United States Department of Agriculture-Animal & Plant Health Inspection Service (USDA-APHIS) for phytosanitary treatment of mangoes. Consequently, this year, the facility enabled export of 157 tons of mangoes, mainly of Alphonso and Kesar varieties, to the United States of America, after a gap of 18 years.

As in the past, we have been closely interacting with the Agency as partners in development. India was one of the founder members and a strong supporter of INPRO. We have noted with great satisfaction the progress made in this important activity of the Agency. In particular, the recent step to initiate, under Phase-2 of INPRO, several collaborative projects under Joint Initiative mode has a great potential to facilitate cost effective development of solutions relevant for global deployment of next generation advanced nuclear energy systems. We once again stress the need to provide full budgetary support to the INPRO activities, recognizing its immense potential to lead to global enhancement in the availability of safe and economical nuclear energy to meet the future demands.

In the area of Nuclear Security & Physical protection, India along with IAEA has been organizing workshops/training courses for the Asia & Pacific region and serves as Regional Resource Centre. So far, we have conducted four Regional Training Courses on Physical Protection of Nuclear installations and also a Regional Training Course on the Physical Protection of Radioactive Sources. In addition, we have conducted Regional Training Courses on Advanced Detection Equipment and on Response to criminal or unauthorized acts involving nuclear or other radioactive material and also a Regulatory Authority Information System (RAIS) Training Course. We are about to deposit our instrument of ratification to the amendment to the CPPNM.

Mr. President,

Global nuclear energy renaissance which has become a necessity and appears to be well on cards, however, rests today on a very fragile foundation. We need to build robust inclusive partnerships on an objective, reliable and predictable basis with a holistic mutual understanding and trust. The need to adopt fuel recycle to maximize energy availability makes it even more necessary. We are all justifiably concerned about the risks related to safety, environment and proliferation arising out of irresponsible behaviour of state and non-state actors. However, we need to be even more concerned about the vastly enhanced security risk to which future generations would be exposed as a result of direct disposal of spent fuel leading to plutonium mines when a large part of radioactivity decays. There are, thus, risks and challenges. But they are within the professional competence of nuclear energy community. A judicious combination of technology and institutional control with every responsible partner being a part of the solution, rather than being seen as a problem, can in fact provide the answer.

Thank you, Mr. President



102. Speech of Finance Minister P. Chidambaram at the Wharton Leadership Lecture: "Indian Business - From Local to Global" at the Wharton School, University of Pennsylvania.

September 27, 2007.

There is a nice feeling when one is at a University. More so, when one is at this University's best known school, the Wharton School. I am grateful to the Dean, the faculty and the students for inviting me to deliver a talk as part of the Wharton Leadership Lectures.

I noticed that in recent years you had invited the CEOs of some of the best known companies in the United States - Xerox and Starbucks, Microsoft and PepsiCo, and Tyco and McKinsey. What do these companies have in common that have made them successful as well as household names? Each one of them is the child of an innovative idea and a leader in its business. There are many Indian business leaders who would qualify on

the grounds of innovation and leadership to take a place in this series. I am here to speak on their behalf but I hope that, in due course, you will invite one of the true business leaders of India to deliver a lecture.

The India story is now too well known to you. What is not known is the fact that innovation and leadership in Indian business go back over a hundred years. India's most famous business house, the Tatas, started their steel mill exactly one hundred years ago. Even before that, Indian business leaders had ventured into cotton textiles, jute and banking.

All the factors of production - land, capital, labour and organization - were present in India. Yet India missed the industrial revolution. The few who dared to cross over from trading to manufacturing were perforce constrained to remain local - producing locally for the local market.

Why local? Before independence in 1947, the levers of the economy were in the hands of the British and they did not allow any Indian entrepreneur to grow except under the shadow of a British company. After 1947, the Indian preference for Fabian socialism expressed itself in the form of myriad controls. The first controls on foreign exchange were imposed in 1947. In 1955, export and import trade was severely restricted. Practically, nothing could go out and nothing could come in, unless one was willing to violate the law. There was an extensive licensing regime in the manufacturing sector that restricted capacity, production, product mix, marketing and prices. The regime also deprived Indian business of capital and technology - but it gave the "entrepreneur" a captive market and protected his business against competition. In such an atmosphere, it was not surprising that most businesses preferred to remain local.

Nevertheless, under the surface, there was latent creative, innovative and entrepreneurial energy. Dani Rodrik and Arvind Subramanian have, in an IMF Working Paper, observed that the growth in the Indian economy (witnessed in recent years) has been in some measure an outcome of important cumulative elements that were being built up even before the reforms got underway.

What changed everything for Indian business was the shock of liberalization. In 1991, in the space of six weeks, exports and imports were, by and large, made free; exchange controls were relaxed; licensing of manufacture was virtually abolished; and Indian business was put on notice that the earlier dirigiste model would make way for an open and competitive economy. Before the financial year was over, further measures were announced that

marked the completion of the initial phase of reforms.

Indian business responded in three different ways.

In the first category, an entrenched group of largely family-owned businesses got together to oppose the policies of liberalization. While some quickly realized their folly and withdrew from the group, others persisted. They refused or were unable to change, and as a result many of them have been dethroned from their pedestals. They now operate as small players, and they are in diverse industries such as automobiles, textiles, jute, bicycles, sugar and cement.

In the second category, many businesses quickly restructured and, in many cases, shed some businesses and focused on their core competence. They became lean and competitive. Younger family members took over the reins, engaged consultants, brought in professional managers, boldly accessed the capital market, introduced new products and services, and learned to operate in a competitive environment.

In the third category, new kids turned up on the block. They were first generation entrepreneurs. Or they were Indians who had migrated abroad and built successful businesses: for example, software or other hi-tech companies in the Silicon Valley. More than anyone else, they foresaw quite early the opportunity in India and were willing to take risks. Many companies currently in the list of the top 10 or top 50 did not exist 15 years ago.

Meanwhile, more policy changes were underway. Between 1991 and 1996 and again between 1996 and 1998, the laws and regulations governing the economy were completely overhauled. After some initial hesitation, more reform measures were undertaken between 1999 and 2002. The present government that assumed office in May 2004 has continued the process of reforms, especially in the infrastructure sector, capital market, the financial sector and taxation.

Indian business has responded to these changes with remarkable agility and speed.

One of the consequences of a fiercely competitive market economy is the need to remain close to the market and to retain market share. There is no room for sloth or inefficiency. Growing the market share and remaining close to the market are the principal factors driving Indian business to go from local to global. The other factors that encourage Indian business to go

global are the need to procure natural resources like minerals and ores; ensure energy security; access new technology; seek patents; leverage R & D capabilities; obtain a new product mix; find a strategic partner; build complementary businesses; establish forward and backward linkages; and enlarge the balance sheet and raise cheaper global capital.

Besides, many Indian companies are led by technocrats. They are driven by innovation. Any business driven by innovation, in order to keep its competitive edge, has to secure a global presence. Indian companies in the fields of information technology and biotechnology are taking that road.

There is also the desire to be the best or among the best in the world. Some Indian firms are already there: one of our companies is the largest producer in the world of rayon fibre and another is the largest producer of PTA. The second largest producer of paraxylene and the third largest producer of two wheelers are Indian companies. Indian companies are also racing to the top in sectors such as pharmaceuticals, castings and forgings, paints, digital recording devices and wind energy equipment. It is but natural that a world-class or a world-size company seeks a world presence.

A recent report in Business Week said that India's moment is evident and that Indian outfits dominate this year's list of Asia's top 50 companies. There are a dozen companies in the list ranging from automakers to a mortgage lender to pharmaceutical producers. The report concluded that the Indian companies represented have plenty in common: smart management, low costs and - increasingly - aspirations to join the elite ranks of multinationals. The list is, according to the report, a testament to the remarkable resilience and endurance of Indian companies. Three of the 12 companies belong to a reputed conglomerate, two are drug makers born around the time of India's independence in 1947, the baby of the bunch is a producer of wind turbines, and the list is completed by the subsidiary of a multinational and a state owned electrical equipment company.

Forbes magazine has included 7 home grown Indian companies in its list of the top 200 most respected companies. Fortune's Global 500, published in July 2007, includes six Indian companies.

The India growth story has also helped. As you know, India's GDP has been growing, on average, at the rate of 8.6 per cent since 2003-04. In particular, 2006-07 was a splendid year that returned a growth rate of 9.4

per cent. The manufacturing sector grew by 10.9 per cent and the services sector by 11.0 per cent.

Corporate balance sheets are larger and corporate profits are higher, giving Indian businesses the financial muscle to take on new challenges. Valuations have soared, enabling companies to raise large amounts of equity capital. The reforms in the Indian financial markets have led to efficiency gains in financial intermediation, and leading business houses are able to borrow cheaply in the Indian market. We have also allowed corporates to borrow abroad, and there is a rush to raise funds through the external commercial borrowing route.

I am aware of the so-called Investment Development Path (IDP) theory. According to that theory, in the initial stages of development, a country receives FDI flows. Once a country reaches a certain level of development, outward investment takes place. I do not know if India's current level of development and Indian companies' outward orientation fit in with that theory. Till 2005-06, Indian firms' outward investment was very modest. In that year, the outward investment was US \$ 2.9 billion. In the next year, 2006-07, it shot up to US \$ 11.0 billion. FDI flows into India also shot up to a new high of nearly US \$ 20.0 billion in 2006-07. The two stages of accelerated FDI inflows and accelerated FDI outflows appear to have converged in India, marking a break with the conventional IDP theory. In my view, this is not unusual if we recall Michael Porter's principle that it is not nations that compete, it is companies that compete.

The Federation of Indian Chambers of Commerce and Industry (FICCI) has conducted a study of 307 overseas acquisitions by Indian companies between 2000 and 2006. Their total value is estimated at US \$ 20 billion. 28 per cent of the acquisitions were in the IT/software/BPO sector. This was followed by healthcare and pharmaceuticals, automobiles and chemical fertilizers. 32 per cent of the acquisitions were in the United States, followed by acquisitions in the United Kingdom and Europe.

The acquisition urge has seized both big and small Indian companies. Not only manufacturing companies and service providers, but also smaller firms doing contract research have coveted overseas opportunities in areas such as clinical research, bio-equivalence and data management.

The Confederation of Indian Industry (CII) has launched a portal that will create an ecosystem of emerging Indian multinationals. It will assist in sharing knowledge and providing credible information on exploring new

markets abroad. Companies will have a platform to discuss common themes and the challenges they face in the context of globalization.

Ladies and Gentlemen! This is the new face of Indian business - mature, confident, strong, responsible, hungry for growth, and ready and willing to be among the best in the world. Hence they are going from local to global. Ask any businessperson, and he or she will tell you that this is the best time to have a business in India and also find your way to do business in other countries of the world.



103. Briefing points by Official Spokesperson on the meeting between External Affairs Minister and Director General, International Atomic Energy Agency.

New Delhi, October 10, 2007.

- External Affairs Minister met DG, IAEA Mohammad ElBaradei this evening. During the discussions, EAM expressed his appreciation of the work of the Agency under Dr. ElBaradei's leadership and the cooperative relationship that India enjoyed with the Agency. He also appreciated Dr. ElBaradei's personal contribution to the relationship and to its further strengthening and development.
- Dr. ElBaradei said that India was both a recipient and supplier in the field of peaceful uses of nuclear energy. Dr. ElBaradei also recalled that he had spoken since 2004 of the need for India to take its rightful place as an equal partner in the global nuclear order.¹
- They also reviewed other developments of common interest.



1. About India-IAEA talks, ElBaradei said: "There is no deadline to start formal talks with us. ...there is a domestic political dialogue on..... we are ready whenever the Government of India is ready. It is for India to decide....I did not ask Pranab Mukherjee this question." "I want India to be a full partner of IAEA. India needs nuclear energy. Without nuclear energy it is difficult to maintain 10 per cent growth rate.... The [India-specific] safeguards agreement is not important as we already have a couple of safeguards agreements with India. It is a standard procedure that we have in civilian nuclear sector. ..As a friend of India, I would like to see India making full use of nuclear energy to enable it to sustain its 10 per cent growth rate."

104. Reaction of Prime Minister Dr. Manmohan Singh to questions on nuclear agreement with the United States at the *Hindustan Times* Summit.

New Delhi, October 12, 2007.

(Dr. Manmohan Singh inaugurated annual *Hindustan Times* Summit with a written speech and then responded to questions, in the next session.)

Asked whether he had staked his personal prestige on the nuclear deal and its failure would make him appear a weak Prime Minister, Dr. Singh said he would be disappointed if the deal failed to materialise but the government was trying to reconcile its differences with the Left parties.

"We are not a one-issue government. We have made changes in various areas ... but in life one has to take certain disappointments and move on to the next." "...

If the deal does not come through, that is not the end of life," Dr. Singh replied to another query.

"In politics, we must survive short-term battles to address long-term concerns," he said.

Dr. Singh pointed out that his observations on the nuclear deal published in *The Telegraph*¹ were in response to a public statement by the Communist

1. The Prime Minister remained hopeful that the issue would be resolved with discussions in due course. When he met a group of Non-Resident Indians in New Delhi on October 23, he told them that he had not given up on the nuclear deal. Dr. Singh also told the group led by U.S.-India Political Action Committee (USINPAC) Chairman Sanjay Puri that he was still hopeful of a solution to the logjam over the deal which meets the assurances he had given to the Parliament. USINPAC Director Robinder Sachdev told Press Trust of India after the meeting with Dr. Singh that they got a feeling that he was open to the idea of discussion on the deal in Parliament. A 10-member delegation, comprising top politically active Indian-American businessmen, was in the capital to interact with leaders across the political spectrum and understand their stand on the nuclear deal. Mr. Sachdev said the Prime Minister also noted that the BJP had opposed the deal citing certain strategic issues and expressed readiness to convey to them that the strategic component has been taken care of. He said Dr. Singh also told them that the deal did not compromise India's position to pursue an independent foreign policy. The Prime Minister also thanked the Indian-American community for backing the deal and lobbying in its favour in their adopted homeland. "The delegation is visiting India to educate themselves about the difficulties faced by the deal and convey it back to the Indian-American community," Mr. Sachdev said. Again on October 29 speaking to the news conference in New Delhi along with the German Chancellor, Prime Minister said

parties. "I don't think I have overstepped ... I am conscious of my responsibilities, what I should say and what I should not say."

Dr. Singh said the India-U.S. agreement "is an honourable deal that is good for India and good for the world." Referring to the differences over the deal, he said, "We are in the realm of politics," where there were differences of perception. "We are trying to reconcile the divergent points of view. I have not given up hope that reason and common sense will ultimately win the dayT."

(The Congress President Ms. Gandhi disagreed with a questioner that the Left was being unreasonable on the nuclear deal. "No, I don't think they are being unreasonable. We have to understand the Left. They have certain ideology, they have some views. They are merely stating their views. Naturally, we are working together. We have to understand their views and we have to take note of what they say." ...Ms. Gandhi also spoke about the imperatives of the "dharma of coalition ... [which is] to work together, try and understand and accommodate each other's view.")



that India's nuclear deal with the United States had been delayed but was not dead. "There is some delay but we have not reached the end of the road."(Left parties have threatened to withdraw support for Singh's ruling coalition if the nuclear deal went ahead, which could lead to the fall of the Congress-led government.) Earlier, US Treasury Secretary Henry Paulson had said in New Delhi that Indian approval of the nuclear energy deal with the United States would be seen positively by global business, "I believe it would be perceived positively by the global business community if it goes through," Paulson told journalists accompanying him on his four-day visit to India. He would not be drawn on whether business would view it negatively if the deal did not go ahead. He said, Washington valued the fact that India was a vibrant democracy and said democratic processes needed to work for the country to come to a conclusion on the nuclear deal. "Let the process in India work on the civilian nuclear deal," Paulson told a business conference. Paulson said growing ties between the United States and India were broader and deeper than any single transaction.

105. Media Report of Interaction of Prime Minister Dr. Manmohan Singh with the media on 'Civil Nuclear Cooperation' on board the Special Flight while returning to New Delhi after his visit to Nigeria and South Africa.

October 18, 2007.

The Hindu Reported on October 19:

'On board Prime Minister's special aircraft: Prime Minister Manmohan Singh rejected the Bharatiya Janata Party's demand for his resignation on the issue of the nuclear deal with the United States, and expressed hope that the agreement could still be operationalised.

* * * *

Asked whether the nuclear deal was "dead" or he still had hope, he said: "I have mentioned that there are some difficulties. We are in a coalition. We have to find a way out and I have not given up hope."

To a question whether Brazil and South Africa, both members of the Nuclear Suppliers Group, were forthcoming in their support to India on cooperation in use of nuclear fuel for peaceful purposes, he said, "well, I think we have to resolve our problems at home and the process is on. Our discussions with the members of the NSG will take place only after we have an India-specific safeguards agreement with the IAEA. Only after that the NSG members will consider cooperation with India. They will come in only after we have sorted our problems that had arisen you all know about it."

On the U.S. State Department's comment that the deal should be completed before 2008 end and whether he was hopeful about it, he said: "Well, I think we will make every effort."

Asked if the failure to have a consensus at home on the nuclear agreement had adversely affected his image and work, Dr. Singh said, "when something doesn't work out the way you plan, it does have an effect. But I said last week in India we are not a one-issue government. We have lots of things on our agenda. We have done many things and there are lot of things to be done. So I think there is a setback in one direction but I would not say that is the end of life."



106. Report on the meeting between the United Progressive Alliance - the Left Parties Coordination Committee on the Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, October 22, 2007

External Affairs Minister Pranab Mukherjee said on October 22 that members of the United Progressive Alliance-Left committee on the India-U.S. civilian nuclear deal expressed the hope that the operationalisation of the deal would take into account the findings of the committee.

Reading out a brief prepared statement at the end of the fifth meeting of the committee, Mr. Mukherjee, the convener of the 15-member panel, said, "Issues currently before it [the committee] would be addressed in an appropriate manner and the operationalisation of the deal will take into account the Committee's findings." He said the next meeting would be held on November 16.

"The committee continued its deliberations in a constructive and cordial atmosphere on the issues that have been raised concerning the implications of the proposed India-U.S. bilateral agreement on civil nuclear energy cooperation, including the implications of the Hyde Act on India's nuclear programme and its pursuit of an independent foreign policy," Mr. Mukherjee said.

He said the committee had before it "further inputs sent by the Left parties." The UPA would give its reply in due course, he added.

The meeting was attended by all members of the committee, except Finance Minister P. Chidambaram, who was out of the country.

Most of the discussions of the committee were reported to be complete. This meeting held detailed deliberations on the Hyde Act, its implications on the 123 Agreement and India's foreign policy.

(It was clear from the statement that the mechanism of the committee was still at work and the government was not expected to proceed with operationalisation of the nuclear deal, the main demand put forward by the Left parties. Asked if the nuclear deal was off, Communist Party of India general secretary A.B. Bardhan said the statement reiterated the position as on August 30 — at the time of the formation of the UPA-Left committee

— that its findings would be taken into account before the government proceeded with the deal. He said the statement pointed out that operationalisation of the deal was being put off until the findings of the committee were finalised.)

(Earlier in the day, UPA allies met at the Race Course Road residence of Prime Minister Manmohan Singh to discuss the strategy for the committee meeting. UPA chairperson Sonia Gandhi attended. The four Left parties — the CPI(M), the CPI, the Forward Bloc and the RSP — also held a meeting before the committee meeting.)



**107. Address by Chairman of the Atomic Energy Commission
Dr. Anil Kakodkar at the Bhabha Atomic Research
Centre.**

Mumbai, October 30, 2007.

Dear Colleagues,

We have assembled here today to pay homage to our Founder Dr. Homi Jehangir Bhabha on the occasion of his 98th birth anniversary. Dr. Bhabha gave us a vision and a road map for development of atomic energy programme in India. This was based on some fundamental realities. It is for this reason that his vision is largely valid even today. Founder's day is an important occasion to take stock of what we are doing, recalibrate our actions vis-à-vis our vision and to rededicate ourselves to realize the vision of our Founder.

There can be no doubt that nuclear energy has to form an inevitable part of the energy mix for our country. Given the ten to twelve fold increase in our electricity generation that is necessary to support our economic growth and issues of energy resource sustainability and global climate change staring at us, the importance of nuclear energy will only grow with time. The three stage nuclear power programme and the philosophy of self reliance, the two most important legacies of Dr. Bhabha, are based on the ground realities of modest uranium and vast thorium reserves that exist in India as well as the very sensitive nature of nuclear technology. Dr. Bhabha went ahead with Jaduguda Uranium mine fully recognizing the very lean ore grades there at a time when restrictions to fuel import were not as

severe as they are today. On the other hand, while we were still in a very nascent stage of our reactor technology development and choice of reactor technology for the first stage was still under review, he went ahead with establishment of Tarapur reactors through import. Dr Bhabha's ideas about the road map to realize autonomous domestic technological capability and to use external cooperation to leap frog were very clear. Self reliance did not mean isolating ourselves but rather keeping several options including the 'do it yourself' option ready at hand so that the country is not subject to vulnerabilities of any kind.

We have come a long way in building our domestic technological capability in nuclear power and nuclear fuel cycle area. Nearly half of the 10,000 MWe programme for the first stage based on Pressurised Heavy Water Reactors (PHWRs) is already in place. Another eight units of 700 MWe, the unit size for our next PHWRs would complete the full potential of the first stage that the known reserves of natural uranium in the country would permit. NPCIL has already demonstrated construction, operation and economic performance matching global standards and has the capability to construct all these eight units and more simultaneously. Our current challenge is to augment uranium production to match the needs of operating power reactors.

Opening of new mines is a time consuming activity. Efforts of last 6-7 years have resulted in opening of new mines at Turamdih and Banduhurang and starting of a new uranium processing mill at Turamdih. With the deliveries of uranium from Turamdih the situation will start easing out. Construction of a new mine and mill at Tummalapalli in Andhra Pradesh has been approved by the Government and is about to start. We also hope to be able to take up Uranium projects in Meghalaya and Karnataka to be followed up by projects in Rajasthan and other places. Most of these deposits have been known for a long time. The present fuel demand supply mismatch would not have arisen, had these projects been pursued in the same spirit with which Dr. Bhabha started activities at Jaduguda. We are determined to move ahead with the growth of our PHWR programme and realize the planned 10,000 MWe of PHWR capacity in the shortest possible time. I would like to compliment our colleagues in NPCIL for their professional approach to programme management. They have excelled in all domains of their activities specially the innovative fuel management strategies to maximize fuel use efficiency, large scale rehabilitation activities and efficient construction and operations management. All other units of DAE such as NFC, UCIL, BARC, IREL, RRCAT, IGCAR, HWB and AMDER involved

with fuel cycle and other activities have put in their best to support these efforts and deserve our fullest compliments.

I would like to mention at this stage that our uranium exploration programme has seen a paradigm shift in terms of far greater mobilization of resources and technologies and we should not rule out a PHWR capacity much larger than 10,000 MWe, should we be successful in finding more uranium. Given the capability of our uranium geologists and the unprecedented programme thrust, I see no reason why this should not happen.

Moving on to the second stage, PFBR construction is progressing satisfactorily. Reprocessing of high burn up fuel discharged from FBTR is providing valuable experience. Nuclear fuel reprocessing and refabrication is crucial to success of our second stage programme. We need to realize robust commercial scale operations both in terms of PHWR back end fuel cycle activities as well as closing the fast reactor fuel cycle. We now have a very large programme in this area with some important technological achievements. We will remain focused in this endeavour including on development of short doubling time metallic fuel cycle in the long run.

We are looking forward to launch of construction of 300 MWe Advanced Heavy Water Reactor. Besides being a technology demonstrator for large scale Thorium use, this reactor represents an advanced reactor system that would meet all objectives of a 4th generation system.

The three stage development programme is thus very much on course and has seen faster progress in recent years than any time before. One must, however, understand and appreciate the sequential nature of this technology deployment strategy. The nuclear properties of Thorium, while would permit sustaining a given power generation capacity to make full use of energy from our vast thorium reserves, do not permit growth in power generation capacity. Large scale deployment of thorium has thus to await enhancement of power generation capacity through fast breeder reactors to a requisite level. This is not a matter of reactor technology choice but inherent nuclear properties of thorium

Our efforts look at international civil nuclear co-operation have to be seen in this background. We have insisted and would continue to insist that such co-operation can not be allowed to hinder our strategic programme as well as our three stage programme. We have also insisted on our requirement to reprocess and recycle the spent fuel so that we not only have the additionality in the near term, which is very desirable, but also

have the ability to establish an order of magnitude larger power generation capacity along with its fuel supply, for the future. We must recognize the long term benefit of such energy resource in light of gaps in our future energy resource availability.

We have also started looking beyond the three stage nuclear power programme chalked out by Dr. Bhabha. Several new nuclear energy technologies that are emerging are of special importance to us. Accelerator Driven Reactor Systems are important to us since they would permit growth even with Thorium fuel cycle and at the same time facilitate greater flexibility in incinerating long lived actinides and fission products. High temperature reactor systems are necessary to be able to move towards hydrogen economy in which nuclear form a major primary energy source. Fusion energy offers the hope of realizing a lasting solution to the energy problems of the world. I am happy to note that we are advancing on all these fronts.

As is customary, let me now recount some of the important achievements during the year:

Kaiga-3 (a 220 MWe PHWR) which achieved its first criticality on 26th February, 2007 within 5 years from the first pour of concrete. With completion of Kaiga-3, there are now 17 nuclear power reactors in operation, the total installed capacity being 4120 MWe. The Indian nuclear power sector has achieved over 270 reactor years of safe, accident free operations. Major Ageing Management activities including Enmasse Coolant Channel Replacement (EMCCR) were completed in NAPS-1 and the reactor is expected to come back on-line shortly. With this, for PHWRs (RAPS-2, MAPS-1&2, NAPS-1) now have their coolant channels replaced.

The first cycle of Peer-reviews of all the operating stations by WANO has been completed. RAPP-5 unit has also undergone a Pre-Startup Peer Review by an expert team of WANO. This was the second review of its kind in India; after TAPP-3 which was reviewed last year. The next Biennial General Meeting (BGM) of WANO will be hosted by India, in 2010 at New Delhi

Construction activities are underway in full swing at six other reactors – three PHWRs, two LWRs and a 500 MWe PFBR. Of these, two reactors (RAPP-5 and Kaiga-4) would see start of fuel loading during the year. On completion of the reactors currently under construction; there will be 23 reactors in operation with installed capacity of 7280 MWe.

The superconducting heavy ion LINAC project at TIFR has reached a major milestone in July, 2007 with all seven accelerator modules energized to accelerate Si beam to an energy of 209 MeV, highest achieved so far in the country.

During the year, RRCAT also started a new R&D program to find a deeper basis as to why superconducting cavities built out of niobium display a large spread in the accelerating gradients achieved. I was glad to see that this effort has resulted in a patent application filed by the RRCAT team and hope that our efforts in this upcoming RF superconducting technology area will remain at the forefront.

I am happy that as part of our involvement in the most advanced international accelerator project, viz the large hadron collider being built at CERN, we have fully met all the commitments we had made. I know that the support provided by our scientists and engineers for commissioning the subsystems of LHC has been deeply valued. The DAE-CERN collaboration under the new Protocol on "Novel Accelerator Technologies" has also blossomed in the last year. We have not only contributed to design of transport line for CLIC test facility-3 (CTF-3) but have also made headway in the fabrication of components for CTF-3. For the LINAC-4, (the front end of CERN's Superconducting Proton Linac project) RRCAT has carried out the development of a modulator needed to drive the klystron and its fabrication is under way. This development will directly contribute to our own ADS program. CERN has also provided us useful hardware for our accelerator related programs.

Our collaboration with Fermilab was started during the year with a focus on the design and development of superconducting RF cavities and cryomodules for different applications. In recent months this activity has gained momentum and some of our young engineers have visited Fermilab and contributed to the R&D programs there. I foresee that this experience in superconductive technology development would prove extremely beneficial when we undertake building later stages of high intensity proton accelerator for our ADS program and am happy to note that a strong domestic program has been launched in this direction.

The synchrotron radiation source Indus-2 set up by the Department at RRCAT, Indore has continued its steady advance during the year and substantial progress was made on the installation of two more beam lines. RRCAT also built and installed a new RF cavity on Indus-1 which has improved the performance of this storage ring.

At VECC development of RIB capability is continuously moving forward.

In field of lasers, RRCAT has broken fresh ground in developing lasers and laser based systems required for various Departmental programs. I am happy to see that notable progress has been made in the development of equipment required to inspect the dissolver tank of a fuel reprocessing set up and an optical fibre based temperature sensor for use at Kalpakkam as well as an upgraded fuel pellet inspection system made for NFC's use.

It is also heartening to see that after last year's campaign at Narora Atomic Power Station, when a laser based system developed at Indore was used for en-masse coolant channel replacements in a PHWR, with tremendous saving in time and man-rem consumption, the RRCAT and NPCIL team is gearing up to deploy this technology at the Kakrapar PHWRs. This shows the strength of the indigenous technology and I wish to compliment all the persons involved in this development and successful deployment.

In the field of biomedical applications of lasers, RRCAT team has developed a real time optical coherence tomography (OCT) set up, with a hand held probe, which has been used for imaging of human skin and animal models for oral cancer. I am also glad to see that our basic research, involving development of new techniques for manipulation and sorting of microscopic objects (like, single cells) and then carrying out studies on them, has also made notable progress.

In the area of laser plasma studies with high power lasers, I am happy to see that the RRCAT team has used their state of the art Tera Watt Ti-sapphire laser system to perform the first charged particle acceleration experiments in the country. They have realized accelerated electrons of up to 70 MeV energy and opened up a new avenue of producing and using such beams. In these programs scientists from KEK, Japan were also involved.

Human resource development is another area where we have immensely benefited from the foresight of Dr. Bhabha. However, the challenges posed by the major expansion that we foresee in our programme, new technological areas that we need to work on and the external attractions necessitate new initiatives. Many of them such as diversification of induction channels including linking up with other institutions, networking among DAE institutions and creating new academic programmes and institutions are now in place. I expect these initiatives to not only match the programme requirements in terms of knowledge domains but also create a new culture of organic linkages between advanced contemporary research and new

innovative technologies. Given that we would be working on several areas that would be globally unique, such an environment would be of crucial importance.

Friends, as I have mentioned earlier, we remain committed to Dr. Bhabha's dream of developing a strong national capability in atomic energy for the benefit of our people. We do so in a comprehensive way covering all potential areas and remain conscious of timely deliverables that are expected of us. To achieve this objective in a vastly expanded programme, we have to work in several inter-related and overlapping teams. Many of them would also involve members from external agencies. Team work has been our strength and our best homage to the memory of Dr. Bhabha would be to carry the team working capability to a new high. I am sure all of us will take up this challenge come out successful.

Good luck to you all.



108. Response of Official Spokesperson to a question on telephone conversation between External Affairs Minister Pranab Mukherjee and United States Secretary of State Condoleeza Rice.

New Delhi, October 30, 2007.

External Affairs Minister Pranab Mukherjee had a telephone conversation with US Secretary of State Condoleeza Rice in the late evening of 29th October, 2007. The conversation covered issues of mutual interest including the India-US Agreement for Cooperation on Civil Nuclear Energy and regional issues¹.



1. Media reports quoted State Department Spokesman McCormack to say that during the conversation, Rice conveyed to EAM that the US was keen on moving ahead with the civilian nuclear deal. State Department Spokesman said the civilian nuclear deal was the "primary" focus of the telephone conversation between Rice and Mukherjee. Asked if Rice is "still hopeful" of the accord that has run into political trouble in India, McCormack said "she (Rice) still supports it going forward. We have conveyed that to the Indian Government at different levels.
"They (Indian leaders) are working through some domestic politics. I know that there is

an intense debate within India, right now, concerning the civil nuclear deal with the United States.

“The Indian people and the Indian political system are going to have to work out whatever resolution of that debate there will be. But we continue to urge the Indian Government to move forward with this deal. And we are prepared to move forward with it as well,” McCormack said. Rice underlined to Mukherjee “the same points that we can continue to support the agreement, continue moving forward with the agreement” the spokesman said. He said the resolution to the political discussions in India are for the Indian political system to resolve....we continue to support moving forward with the agreement”. McCormack ruled out any possibility of a renegotiation of the deal. “I don’t believe that there’s any consideration of that or any discussion of that on either side at this point,” McCormack said.

Meanwhile on October 30th the Chairman of the Atomic Energy Commission Anil Kakodkar cautioned that if the India-US nuclear deal did not go through, “India will have to slash at least 6,000 MW from its projected 20,000 MW by 2020.” Replying to a query whether the Department of Atomic Energy’s projected nuclear power capacity of 20,000 MW would be scaled down if the Indo-US deal did not come through with the current uncertainties, Kakodkar said, “definitely yes. By at least 6000 MW.” “It is possible to realise DAE’s projected 20,000 MW by 2020 only if there is international civil nuclear cooperation,” Kakodkar told the media on the sidelines of the 98th Founder’s celebration of Bhabha Atomic Research Centre. In mid 1990s, DAE had projected an ambitious programme 20,000 MW keeping in mind 10,000 MW from Pressurised Heavy Water Reactor programme, 2500 MW from Fast Breeder reactors and 8,000 MW from imported Light Water Reactors (especially from Russia). Even at that time (mid 1990s), 8000 MW was planned from the Russian nuclear cooperation. But although Russians were still interested in giving that much, unless the current international politics is set right, it may not be possible, Kakodkar said. Kakodkar said “it is important to set the international politics right to enhance the international cooperation in nuclear power programmes. This has to be carried out through diplomatic channels,” he said. Asked whether India could get fuel from any non-nuclear suppliers’ group countries, he said “yes, we can but we have to set right the international politics first.” Delivering the founder’s day speech, Kakodkar said Homi Bhabha himself was in favour of import of reactors and used the external cooperation to leap frog to realise enhancement of domestic capability.

**109. Interview of Chairman of the Atomic Energy Commission
Dr. Anil Kakodkar with the *Hindustan Times*.**

New Delhi, November 4, 2007.

India was firm on securing “clear and unconditional” exemptions from Nuclear Suppliers Group (NSG) countries while continuing the current process of discussion on a safeguards agreement with the IAEA, Atomic Energy Commission chief Anil Kakodkar said.

“For us, protection of India’s interest is paramount. If this is achieved, then the prospects of the Indo-US civil nuclear cooperation deal getting through would certainly brighten,” he told reporters here after his return from Vienna.

Noting that the current negotiations with IAEA on India-specific safeguards had no fixed “timeframe” Dr. Kakodkar said: “It is a complex exercise we wish to complete as fast as we can.”

He said any agreement “we sign in this regard should meet all requirements of national interests”.

Asked whether the Indian negotiators in Vienna faced any “roadblocks” during discussions with IAEA officials, Kakodkar said: “I always walk on ground.”

He said the India specific safeguard agreement with IAEA was a very “broad-based document” and a “fairly detailed exercises”.

On the response the Indian side was getting from NSG countries in the light of the current talks, Kakodkar said, “It is generally positive from the 45-member group.”

On reports that China was inclined to support India on the pact with the US, Kakodkar said, “I am happy to know that.”

He said India expected a “two-way traffic” with respect to the proposed agreement and the Indian industry too should have its share of business if it is concluded.

“We will let you know” was his reply when asked when he was likely to join the Indian team of negotiators in Vienna again.

Earlier, Kakodkar lauded the contribution of the Walchand Industries Ltd,

where he went to attend a function, towards the country's defence preparedness as well as atomic, missile and space research programme.

"The group has been providing vital components for our missions with a cutting technological edge making India self-reliant by overcoming many hurdles. Walchand Industries' contribution to the field of Atomic Energy has been immense," he said.



110. Question in the Lok Sabha: "Use of Thorium as Fuel".

New Delhi, November 21, 2007.

Will the Prime Minister be pleased to state:

- a) Whether Thorium can be used as a fuel for generation of atomic energy in the country;
- b) if so, the details thereof;
- c) the estimated quantity of Thorium available in the country at present, state wise;
- d) whether the government has formulated any scheme for generating nuclear power through Thorium;
- e) if so, the details thereof; and
- f) the capacity of power projects which can be established in the country by using thorium?

The Minister of State in the Prime Minister's Office: (Shri Prithviraj Chavan):

(a) to (f): A statement is laid on the Table of the House.

STATEMENT

- a) Yes, Sir.
- b) While Thorium by itself is not a fissionable material, on irradiation in a reactor, it can be converted to Uranium – 233 which can be used to produce nuclear energy. India has vast resources of Thorium and thus it offers an enormous energy source to meet our future

requirements. Utilization of Thorium for energy production in the long run is one of the most important objectives of our atomic energy programme.

- c) The estimated reserves of Monazite which contain about 8 % Thorium in different States are as follows:

States tonnes)	* Resources (in Million
Andhra Pradesh	3.73
West Bengal and Jharkhand	1.45
Kerala	1.37
Tamil Nadu	1.84
Orissa	1.82
TOTAL	10.21*

* Inclusive of indicated, inferred and speculative reserves

- d) and e): Yes, Sir. India has formulated a three-stage nuclear power programme to optimally use its modest uranium and vast thorium resources. Large scale thorium utilization is contemplated in the third stage of this programme, where Uranium-233 bred in Fast Breeder reactors of the second stage will be used together with thorium.

The government has taken a number of steps to develop appropriate technologies for the utilization of thorium. A few of the major steps are:

- 1) Setting up the research reactor Kamini at Kalapakkam using Uranium-233 fuel obtained from irradiated thorium. The reactor has been operating since 1997. The fuel for the reactor is bred, reprocessed and fabricated indigenously.
- 2) Irradiation of thorium fuel bundles in research reactor at Trombay and in Pressurised heavy Water Reactors (PHWRs) has been carried out.
- 3) Design and development of Advanced Heavy Water Reactor (AHWR) using thorium based fuel. This reactor will serve as a technology demonstrator.

- f): Around 150,000 GW-yr electricity potential exists in India using domestic thorium through the route of breeder technology.

Shri Rajiv Ranjan Singh Lalan: *Mr. Speaker, Sir, it is a strange thing that on the one hand the government has accepted that there are enormous deposits of thorium in the country and we can after processing in nuclear reactor convert them into Uranium-233; and that can be used in nuclear energy. In such a situation on the one side there are enormous deposits of thorium and on the other side the government is compromising with national interests in entering into an agreement with the USA. The statement of the Chairman of the National Nuclear Power Corporation which has come in the papers, he said that the country has resources of natural Uranium support is 10, 000 mw.*

Mr. Spaker: Put your Supplementary, please.

Shri Rajiv Ranjan Lalan: *You are saying two different things. You say that there is required supply of Uranium. The government in replying to the statement has said and given figures to indicate the quantity of monazite with Thorium contents is 10.21 million tones. We want to know how much more Thorium can be available besides what has been indicated? What is the quantity that can be obtained and the quantity of nuclear energy we can get from that?*

Shri Prithviraj Chavan: Sir, the hon. Member has said a lot of things and placed a lot of questions. Let me, at the outset, say that India has limited resources of natural Uranium. We have plenty of resources of Thorium. As a matter of fact, we have the second or third largest reserve of Thorium in the world. But the problem is that Thorium by itself is not a fissionable material. Thorium can be used to produce power only indirectly. Only naturally fissionable material available in the world is Uranium-235, which we are producing in Jharkhand.

That is why when we launched our Nuclear Energy Programme, Dr. Homi Bhabha very carefully charted a 3-phase programme to utilise Thorium in the third phase. We have now completed our first phase using natural Uranium, which is available within the country, and that is used in Pressurised Heavy Water reactors.

What the CMD of the Nuclear Power Corporation said was that using Indian natural Uranium resources, we can reach a programme of 10,000 megawatt. Currently, we have a nuclear energy capacity of 4,200 megawatt. This can

be taken to 10,000 megawatt for 40 years. After that, our natural Uranium will be over. Therefore, in order to get to the Thorium cycle, we need a second stage, which is the fast breeder reactor stage. The first one is being built at Kalpakkam. [r2] We expect that to start in a few years' time.

Unless we have a sufficient quantity of fast breeder reactors, which breed more Plutonium than they consume - Plutonium is also a fissionable material. It is a manmade material. We cannot go on to the third phase. It is a very calibrated programme. I would like to dispel, this impression, that the Government of India is not going ahead with the Thorium programme although we have plenty of Thorium resources.

I would like to clarify, Sir, that we definitely intend to use Thorium; but Thorium cannot produce electricity by itself. It has to be first converted into fissionable isotope, Uranium-233 which can be done in a fast breeder reactor. Therefore, unless we build sufficient capacity of fast breeder reactors, which we have just started building, we cannot go on to generating electricity from Thorium. Our ultimate objective is to be energy independent of the fossil fuels by using Thorium, of which we have plenty of resources. I agree with the hon. Member that we have plenty of Thorium but it cannot be used today.

Mr. Speaker: I think it is a very exhaustive answer.

Shri Rajiv Ranjan Lalan: *Mr. Speaker, Sir, It is an exhaustive answer but there are many contradictions. The CMD of the National Nuclear Power Corporation's statement suggested that we have the capability to produce 10,000 mw nuclear power for forty year; (interruptions)...we have uranium...interruption....*

Mr. Speaker: Please come to your question.

Shri Rajiv Ranjan Lalan: Sir, I am only asking a question. The Minister's statement has contradictions. I have to point to that....

Mr. Speaker: You need not comment on his reply. You put a question.

Shri Rajiv Ranjan Lalan: *I am drawing his attention to the contradiction and not commenting; The perceived situation that we have, instead of pursuing them we are compromising with our interests, According to our information thirty years ago there was an experiment with Thorium, and according to that we can convert Thorium -233 into nuclear*

energy...interruptions...in the last thirty years why did the government did not develop this line of research. We uranium deposits would be exhausted in forty years. Can we depend on that? Why has the government not explored this line.

Shri Prithviraj Chavan: Sir, I would like to dispel this allegation that we have not done anything about the Thorium programme. I have said repeatedly that in order to produce energy through Thorium indirectly, we need sufficient quantity of Plutonium which can only be produced through the Uranium that we have, when we run a 10,000 megawatt programme on natural Uranium that we have. We generate Plutonium by reprocessing waste fuels. Therefore, we have to build sufficient quantities of Plutonium which we will consume in the second phase in the fast breeder reactor. Only then, can we start integrating Thorium.

About the technology for the use of Thorium, the complete R&D has been done in India. We can use it. But we cannot cut short the cycle of building a very large fast breeder reactor programme. Unfortunately, physics is like that. It is not the lack of wanting by the Government of India. It is a very well-crafted three-stage programme by Dr. Bhabha. We are on to it and ultimate energy independence will come when we go on to the Thorium cycle which will take a number of years. Unfortunately, we cannot do it tomorrow. We have to build a very large capacity of fast breeder reactors which we are going to do.

Mr. Speaker: I do not know how many physicists are here. But, I would like to undertake some courses on this Plutonium, Uranium and Thorium.

Shri Prithviraj Chavan: We would like to invite them to BARC.

Mr. Speaker: Very good. I will do that.

Dr. Laxminarayan Pandey: Mr. Speaker, Sir, *The Minister has accepted that there are vast deposits of Thorium in the coastal areas of Kerala and other coastal states, To utilise these deposits a Kamni scheme was prepared at Kalapakam. Work on this is progressing and foreign entities had also shown interest in this and said that in comparison to Uranium, Thorium was safer; We can produce this in good quantities and the Minister has said in his statement that we have the capacity to produce about one a half lakh gigabite of energy per annum. What are the international agencies doing in this regard and whether thorium for this is available? Why are you not using this possible source for production of nuclear energy? The action*

that the government should have undertaken, why it has not been taken? There are many coastal areas where thorium is found in big quantities. Sethu Sumundram is one of them; there are similar areas in Kerala; in all these areas Thorium is available in sufficient quantities. What are the government's plans for this scheme? And because of this the shortfall in energy production what steps are being taken to fill that gap and the delays in this regard; and the steps to remove those bottlenecks etc?

Shri Prithviraj Chavan: Sir, I would like to repeat that the Indian scientists, no matter how hard they try, cannot change the laws of physics. It is basic physics that in order to consume Thorium and convert Thorium to a fissionable Uranium-233 isotope, which does not occur naturally, it is a manmade isotope, we need plenty of Plutonium, which also does not occur in nature. Plutonium is also a manmade fissile matter, which is only possible to be made through the first stage. We have certain reserves of Plutonium. I have repeatedly said that unless we have sufficient quantity of Plutonium, which we will use in our fast breeder programme along with naturally occurring Uranium-238 isotope, we cannot go on to Thorium programme. The technology of Thorium programme is completely developed by us. We have indigenously developed that technology, but the problem is availability of Plutonium which can only be generated gradually. In the fast breeder programme, we generate Plutonium.

Please believe me and I would like to assure the House through you, Sir, that we will not delay even one day to start the Thorium programme. The moment we can do it, we will do it because that is the only way we can achieve some kind of energy independence.

I will give you some numbers also. The current production of electricity in the country is about 700 billion units from all sources – coal, water etc.

Mr. Speaker: Let us have a discussion one day. On the main discussion, we will do this. Members are interested more in political Thorium.

Shri Prithviraj Chavan: Sir, I will just end with one sentence. When we have the Thorium programme, we can generate electricity from Thorium of about 13 lakh billion units compared to 700 billion units that we are producing today. So, there is plenty of capacity.

Prof. Basudeb Barman: Sir, while I appreciate the steps taken by the Government to develop appropriate technologies for utilisation of domestic resource of Thorium, may I request the hon. Minister, through you. Sir, to

enlighten the House about the progress of work at Kalpakkam and Trombay in regard to generation of electricity on commercial basis, that is, when we may be going to get the technologies as developed in research reactor Kamini, pressurised heavy water reactor and advanced heavy water reactor using our domestic Thorium as the reactor fuel, transferred to operating units for generation of electricity on commercial basis?

Mr. Speaker: This is such a long question!

Prof. Basudeb Barman: When are you going to get it?

Mr. Speaker: In which year?

Shri Prithviraj Chavan: Sir, there are two scenarios. One scenario is when we have the international cooperation, for which the Government of India is trying at various levels and also trying to persuade the House to allow us to go for international collaboration, which will give us enough Uranium. In that scenario, the speed up may be much faster. If we do not get international collaboration and we are not able to import Uranium, then we have limited resources of Uranium. That has to be understood. Our technology, whether it is Kamini Research Reactor or the Advanced Heavy Water Reactor that we are planning which will start using Thorium, is completely on track and on schedule. But unfortunately, unless we have sufficient quantity of Plutonium, we cannot go to a major commercial programme. That is the limitation.

Prof. Basudeb Barman: Am I to understand that there is no time schedule of the Government for using domestic Thorium?

... (*Interruptions*)

Mr. Speaker: It will happen as soon as possible.

... (*Interruptions*)

Mr. Speaker: We have taken 15 minutes on this question.

Prof. Ramgopal Yadav: *Sir, The Minister has twice said that Thorium was not a tenable material. To convert that into Plutonium 233 i.e. to make it tenable material, we have to work on that. I would like to say that Uranium is available in natural form. In that is the Thorium 237 isotope. That is enriched through nuclear reactors and convert into Uranium 235 and 233 and this generates atomic energy. I want to know that the nuclear base of*

the power project, produces material for the nuclear bomb. Now in the deal with the United States, it is stated that the talks with the NSG will be only for Uranium; there is no mention of the Thorium. IN the deal with the US again there is no mention of Thorium: did it mean that we want to always stay dependent on others?

Mr. Speaker: It is too complicated for me.

Shri Prithviraj Chavan: Sir, I do not want to correct some of the facts that the hon. Member has stated here, but he is right in a way that what we get naturally is a mix of Uranium-238 and Uranium-235. Only Uranium-235 is a fissionable Isotope, and Uranium-238 is not. Uranium-238 Isotope is a fertile material from which you can produce Plutonium. I do not want to get in more details.

Kindly allow me to clarify that India is one country that is deficient in Uranium, but we have got sufficient Thorium resources. Most of the nuclear capable countries have large stocks of Uranium. Hence, they have not looked at the Thorium option like we have. I would like to take this opportunity to assure the House that Indian Thorium utilization technology is perhaps more advanced than any other country in the world. We do not require Thorium technology from anybody, but what we require is the basic Uranium, which we have in limited quantity. Therefore, the only purpose of going in for international collaboration is that our nuclear programme — for which we have completely developed indigenous technology — can be taken further. The nature has not endowed us with large Uranium resources, and they are only limited to about 70,000 tonnes and they will exhaust one day. Therefore, in order to convert Uranium to Plutonium, and then use Thorium is going to be a long cycle.

The hon. Member who asked the previous supplementary asked about the timeframe. We have the exact timeframe based on Indian programme completely, and another timeframe — if the House permits — for international collaboration in the field of nuclear energy.

(Text in italics is unofficial translation from the Hindi text)



111. Question in the Rajya Sabha: “Nuclear fuel supply from Russia”.

New Delhi, November 29, 2007.

Will the Prime Minister be pleased to state:

- a) whether Russia has agreed to supply nuclear fuel to India from Angarsk International Uranium Enrichment (AIUE) Centre set up by it for supply of uranium to countries with nuclear energy programmes under International Atomic Energy Agency safeguards;
- b) whether Government has approved two nuclear power projects at Rawatbhata in Rajasthan and Kakrapara in Gujarat to be built during Eleventh Plan;
- c) whether fuel supplies facility could be considered for units being set up through Russian assistance in the county; and
- d) by when these projects are likely to start functioning?

The Minister of State in the Prime Minister’s Office (Shri Prithviraj Chavan)

(a) to (d)A Statement is laid on the Table of the House.

STATEMENT

- (a) No, Sir. Russian Federation has agreed to supply fuel for life time of Kudankulam Units 1 & 2 under a bilateral agreement.
- (b) Yes, Sir. Government has in principle, approved setting up of two 700 MWe PHWR Units each at Rawatbhata in Rajasthan and Kakrapar in Gujarat.
- (c) Two Light Water Reactors of 1000 MWe each are presently under construction, in co-operation with Russian Federation, at Kudankulam, Tamil Nadu. The life time fuel supply for these reactors is covered through a sovereign guarantee of Russian Federation.
- (d) Kudankulam reactors (units 1&2) are expected to commence operation in the year 2009.

Shrimati Prema Cariappa: Sir, I would like to know from the hon. Minister whether the Government has any proposal for setting up of any other nuclear

power projects apart from the two in the States of Rajasthan and Gujarat, which are mentioned in the question.

Shri Prithviraj Chavan: Sir, we have already got a Cabinet approval for setting up new nuclear power plants at Rawatbhata and Kakrapara. In the Eleventh Plan period, we would be setting up six new Pressurised Heavy Water Nuclear Reactors. The sites are not yet decided, but all these PHWR will be of increased capacity of 700 MW each.

Shrimati Prema Cariappa: Sir, I would like to know: What is the policy or do you have any other plan for smaller units to be set up in other States?

Shri Prithviraj Chavan: Sir, India's nuclear power programme started with indigenous 220 MW Pressurised Heavy Water Reactors. We have graduated and upscaled the design to 540 MW, which is functioning perfectly well in Tarapore. Now, we intend to take it to 700 MW scale. Setting up of smaller reactors is economically not a good idea. So, we are actually going in for increased capacity. There is a plan and we want to set up, as I already said, six new 700 MW reactors with indigenous technology. Further, Light Water Reactors with international cooperation would be set up provided international cooperation goes through.

Shrimati Shobhana Bhartia: Sir, I would like to ask the hon. Minister, through you: Is it necessary that NSG curbs are lifted before India can access fuel from Angarsk, and can Russia sell us new reactors again before the NSG and IAEA guidelines are changed?

Shri Prithviraj Chavan: Sir, I would like to explain that Angarsk facility is a proposed facility with a new architecture of international cooperation in assured fuel supply. This is the facility which should be jointly set up by Russia and Kazakhstan, and it has been incorporated only in September this year and likely to start producing in 2050. But the point is, whatever international fuel that we are getting for our Kudankulam 1 & 2 reactors, is covered by the sovereign guarantee of Russian Federation and that is going on. Any new reactor, purchases from either Russian Federation or any other country, will necessarily depend on the IAEA clearance and NSG clearance — unconditional waiver of energy.

Dr. K. Kasturirangan: Sir, through you, I would like to ask the hon. Minister as to what is the status of the uranium ore prospecting in this country. And, what are the plans for upgrading the Atomic Mineral Division's capability to make it a more effective organisation for atomic minerals prospecting in India?

Shri Prithviraj Chavan: Sir, as the hon. Member is aware, most of our uranium comes from Jaduguda mines in Jharkhand. This month itself, we laid the foundation stone of a new uranium mining and processing facility in Andhra Pradesh. There are prospects of setting up uranium processing facility at a further location in Andhra Pradesh, in Karnataka, and, major facility in Meghalaya. Work is in progress. Environmental clearances are being sought. The only new site launched this month was in Andhra Pradesh. I think, we will be definitely self-sufficient to sustain a programme of 10,000 MW with our indigenous uranium, not more than that.

Dr. K. Kasturirangan: Sir, the second part of the question was with regard to the Atomic Minerals Division's capability.

Shri Prithviraj Chavan: Sir, I did not reply to part (b) of hon. Member's question. Sir, the Atomic Energy Department has extensive plans for augmenting the Atomic Minerals Division, which looks for the nuclear materials in the country. As it does not come from the main question, I will be able to give more details about it if a fresh question comes up.

Prof. P.J. Kurien: Sir, during the recent visit of the hon. Prime Minister to Russia, there was a press report that an agreement would be signed with Russia with regard to supply of nuclear reactors to India. It was said that such an agreement was ready but it could not be signed at the last moment. Later on, there was a report in the press that the inability to sign that agreement emanated from our inability to sign the nuclear deal with the United States. Therefore, I would like to know from the hon. Prime Minister, — since we could not sign the agreement with Russia — whether that has anything to do with our inability to sign the agreement or nuclear deal with the United States. I would like to know the Government's position on this stand.

Shri Prithviraj Chavan: Sir, I would like to take this opportunity to clarify this confusion about the future supplies of Russian nuclear reactors to us. Sir, in January, 2007, when President Putin visited India, a Memorandum of Intent was signed by the Government of India to purchase four additional reactors to be sited at the existing Kudankulam. It was a Memorandum of Intent. There is a word going on for signing the inter-governmental agreement, which will be required to go further. With regard to this agreement, as the hon. Prime Minister said, the work is in progress and it is being considered. But let me categorically tell the House that no operation for further supply of any international reactor would be possible, which includes four possible Russian reactors, without clear IAEA Safeguards

Agreement being signed and a clear and unconditional waiver from NSG. That is very clear. It cannot be operationalised without NSG waiver.

Answering another supplementary the Minister said:

Shri Prithviraj Chavan: Sir, we are mixing lot of things together. The agreement with United States is to seek waiver from the US law. What we are trying to seek from the international community is an unconditional waiver from the Nuclear Suppliers Group's guidelines to allow India to engage in an international civil nuclear commerce.

So, unless NSG guidelines are waived for India, which will follow the IAEA safeguards agreement which is being negotiated now, unless NSG guidelines are changed, there cannot be any nuclear commerce, leave apart the reactors, with any country that includes Russia. Therefore, I have clarified that the inter- Governmental agreement is being negotiated. But, signing that agreement, you cannot operationalise the agreement; you cannot buy anything from Russia unless there is an unconditional waiver from NSG to permit India to engage in trade.

Shri Shahid Siddiqui: Why can't we go to the NSG with the Russian agreement? Why can't we do that? Why do we have to ...(Interruptions)..

Mr. Chairman: Let the hon. Minister finish please.

Shri Prithviraj Chavan: Sir, we are not even a Member of the NSG. We are not going to the NSG. The only agency we have already gone to is IAEA. We have offered certain of our facilities for IAEA safeguards inspection procedure, which was not earlier under safeguards. And, that is a part of overall deal with America. Once the IAEA safeguards agreement is negotiated, the international community, the NSG, will take up India's case for waiver. Unless that happens, I would like to say, it has been made amply clear by the hon. Minister of External Affairs in the other House yesterday and the Prime Minister has also clarified this a number of times, that this purchase of Russian reactors, which we want, and four reactors will be located at Kudankulam in Tamil Nadu, the site where first two reactors are already located. We want to install four more reactors. But what can we do unless there is permission for civilian nuclear trade? Under the NSG waiver, there is no point; it will be a dead letter. ...(Interruptions)..



Debate in Parliament on Civil Nuclear Energy Cooperation Agreement:

Select Speeches

Lok Sabha: November 28, 2007.

- (i) Rupchand Pal (CPI-M)
- (ii) L. K. Advani (B.J.P.)
- (iii) External Affairs Minister Pranab Mukherjee

Rajya Sabha: December 4-5, 2007

- (i) Sitaram Yechury (CPI-M)
- (ii) Yashwant Sinha (B.J.P.)
- (iii) Mrs. Kanimozhi (DMK)
- (iv) D. Raja (C.P.I)
- (v) External Affairs Minister Pranab Mukherjee

112. Speech of Communist Party of India (Marxist) Member of Parliament Rupchand Pal in the Lok Sabha on the debate on the India – United States Civil Nuclear Energy Cooperation Agreement.

New Delhi, November 28, 2007.

* * * *

Shri Rupchand Pal: (Communist Party of India – Marxist): Sir, at long last, this august House has got an opportunity to discuss a very very important deal, the Indo-US Civil Nuclear Cooperation Deal. It has a serious bearing on the future of this country, its economy, its relationship with other countries, its nuclear programme and its energy security. It is good that we are discussing it today and we are thankful to you, Sir, the Leaders of the Government and all the concerned that this opportunity at last is given to us.

In the last Session, we have been insisting on such a discussion on this important deal but we had been denied of it because of interruptions by the main Opposition. We could well understand the reason as they continued to be confused about their stand vis-à-vis the Nuclear Deal. Firstly, it is they who had initiated it and the hon. Prime Minister had very rightly mentioned, when the delegation of the BJP met him, that it is your baby. But they want to put the ownership of the baby in a different language. What is the language going to be? We will come to know of it because different voices are being heard on it. One is by Shri L.K. Advani, the hon. Leader of the Opposition who, at a point, said, "No, no. We are in full agreement with the deal."

Prof. Vijay Kumar Malhotra: *You clear your stand.....(interruptions)*

Shri Rupchand Pal: Now some Opposition Leaders are writing articles and making speeches. They are speaking in different voices. According to the BJP, they have no objection to the strategic alliance with the US and 14 rounds of secret discussions have taken place. Fourteen rounds of discussions have taken place between Shri Jaswant Singh and Mr. Strobe Talbott. Of course, they took place in different places and most of them were secret discussions. I demand from the Government what have been the issues that have come out in the latest news engaging India. Mr. Strobe Talbott tells us a lot of things that without the concurrence of the Government, without taking into account the national consensus about our foreign policy,

without taking into account our national interests, certain commitments have been made. As it happened for their wrong economic policies, the claim for India shining when India was suffering, the people had put them in right place. So, also when people come to know about their position *vis-a-vis* their surrender to the US pressures. But we expected something different from the UPA. It is because when the Common Minimum Programme was being framed, at that point of time might be that some suggestion has come –the strategic relations with the United States and the Left had categorically stated ‘no’. We cannot be a party to it. So, there was a demarcation of the UPA *vis-a-vis* its independent foreign policy and the policy of the previous NDA Government which has a definite tilt towards US for a strategic alliance which by now is revealed in more than one document.

Now, when the Government, the hon. Prime Minister, had come out with a joint statement on 18th of July, 2005, at the very beginning, the Left had expressed certain apprehensions. It is not that overnight the Left woke up and said, ‘no’, we cannot agree to it. If you go without our consultation, and as we are a supporting partner, we cannot be a party to it. We did not say like that. We say that we cannot be a party to it. We have serious reservations in respect of various provisions in the 123 Agreement itself. Then, on the basis of that there have been certain discussions. We have raised nine points where we differ and we have serious reservations *vis-à-vis* the Draft. The hon. Prime Minister in August gave some assurances. Then in 2006, December came the Henry Hyde Act which was reconciliation between what came out, how to give the exemption, what sort of waiver should be given in the US Atomic Energy Act 54 etc.

Sir, under the leadership of Henry Hyde, a Draft was prepared and after the Left came to know the provisions in the Draft, we made it to the Government that these are the nine areas where the Left and the nation want to be reassured by the Government. In August, the hon. Prime Minister came out with reassurances and assurances on all those points. But to our dismay, we found that in the Hyde Act December, 2006, most of the important assurances given by the hon. Prime Minister on the floor of the House were trampled and ignored. This was in relation to technology transfer, in relation to fuel supply, in relation to congruence of Indian foreign policy with the US foreign policy, specific reference to Iran, un-interrupted fuel supply and on very many other issues. We shall come to that one by one.

The hon. Prime Minister had categorically stated one thing - the nuclear cycle in its entirety, This is very important. But we found that it was selective.

It was selective even in respect of lifting the sanctions. Transfer of sensitive technology as well as transfer of dual use technology was denied. The Government claims that from a regime of technology denial, we are entering into the mainstream global nuclear arena; we are a recognised nuclear power also. But that was not so. It is not only in respect of the technology transfer but also in the case of fuel supply, the assurance given was very vague. We have the experience of Tarapur. We found that there was no assurance regarding the uninterrupted fuel supply. This was taken up again and again. The Government is trying to make out saying: "No. There is an assurance." Even in the case of termination, what will happen? There is a termination clause. What is the termination clause? In case the Government of India goes in for a nuclear explosion, then the termination can take place. The termination can take place for various other reasons and extraneous reasons directly unrelated to the civilian nuclear energy also. In the case of a termination of the agreement, the fuel supply, the reactors, equipment and everything will have to be returned. Although there is a clause on which the Government is trying to argue a lot saying: "No. In that case, the US is saying that it will help us to take corrective measures", yet you relate the 123 Agreement to the Hyde Act. It is a very broad point.

The relationship between these two is important. Would you find that only the US Congress can go for the permanent waiver and just condone you? The Hyde Act specifically mentions that the US will stop any other country from providing the fuel supply in such a scenario. That means, you are nowhere. That is the issue that we have been making. Canards have been spread saying that we are doing it at the behest of China; we are doing it for that and we are doing it for this. So, canards have been spread. Is it not wise to ask whether our nuclear reactors will have uninterrupted fuel supply? What is the guarantee? You are going in for the agreement with the International Atomic Energy Agency in perpetuity. But nuclear fuel supply is not going to be in perpetuity. It is conditional. Is it not wise to ask this question? The whole gamut of the fuel issue, these extraneous issues are there. Our patriotism is being questioned. We have the experience.

Several times, the Communists have been charged saying that they are unpatriotic. But the history says something else. There are the best men and women in the country who sacrificed most for the freedom of this land, who suffered most for 30-40 years in jail, some of whom have been Members of this House. We have made suggestions about Indo-China border. We have said that it should not be resolved by an armed conflict but by dialogue. The Government is doing it. Others believe that this is the right way. For making

our suggestion, we are accused. Today also when we are saying the right thing, we have been abused like anything. But we are not going to take it lying down. We are asking: "What about your uninterrupted fuel supply?"

Now, I am coming to all the nine points given by the hon. Prime Minister. What will happen to our strategic autonomy? If we look into the speeches prior to this agreement, we do find that it had started long back during the talk between Shri Jaswant Singh and Mr. Strobe Talbott. They talked about military exchange, strategic alliance and to have a new regional architecture in Asia to contain China and very categorically in a writing very recently it is being said by no less a person than the Chief Interlocutor Mr. Nicolas Burns that it is an age of anti-Americanism. Yes, throughout Latin America, countries like Brazil, Argentina, Mexico, Ecuador and Bolivia are opposing the United States of America. Look at the world, Russia is standing up against any threat which it could not do a few years back. It is a changed world. Even inside America, - I am not naming – the present President is the most hated person amongst Americans.

Mr. Speaker: It need not be said like that.

Shri Rupchand Pal: Sir, I have not named anybody.

Mr. Speaker: All right, but let us discuss with dignity.

Shri Rupchand Pal: Sir, we have cooperated with them in Iraq. Some others have also done in other parts of the world. In the United Kingdom, those who have supported America have gone out of power, in Australia also they have gone out of power and in Japan also they have gone. So, this is the age of anti-Americanism. This is the admission made by Mr. Nicolas Burns and in this age, what is required? What is required, according to that article, is that in Asia, we must have a new regional architecture, new military status, naval exercises, new friends and it is being said in the same article that "US is only just beginning to realize the benefits of this relationship for its interests in South and East Asia". So, you can well understand the situation.

Sir, why are the 'Henrys' of America losing their sleep? I am not naming anyone. Mr. Henry Hyde has done the job elsewhere and some other 'Henrys' are coming here, meeting the people in the Government, meeting the Opposition leaders and all that. Once in a millennium one benefactor has come, losing his sleep. We are questioning the Agreement and saying that we are not going to be benefited by it. They say, 'No, it is in your

benefit', although we know it is in their benefit. Repeatedly it is being said that it is in their benefit for creating a new regional architecture in Asia. For a new Asian NATO, they need India. Once they wanted to balance Pakistan and India, there was talk of composite dialogue and all that, I am not going into that here. But now they want India. What do they say? The July statement says that the Indo-US Nuclear Deal is one part of it. They say there will be collaboration in the fields of agriculture, education, economy, politics, military and it is a total package and in the midst of the total package, there is one deal. In the language of Mr. Nicolas Burns, it is the centerpiece. That is not all. So, they want us to ignore our independent foreign policy. They are openly saying that non-alignment is an old thing and telling us to leave it. Again and again they are telling us not to go in support of Iran. They want us to ignore Iran and unfortunately we have been doing it. Twice India voted against Iran in the International Atomic Energy Agency. Our Indian delegation was amazed by the directive that has come from the top quarters. How is it? Our friend is Iran. Civilisation contacts are there. On the Republic day, we had an honoured guest from Iran. We have our relationship. We depend so much on our oil supply from Iran. Why should we? But we did. In nine cases, they said, 'India, you are going to be rewarded and Iran is not behaving properly, they are going to be punished. Help us to punish Iran'. Is it the way, Indian should pursue its independent foreign policy?

Was it the legacy we had from our Freedom Struggle – a well tested Non-aligned Policy on the basis of a national consensus? It is a new multi-polar world, unilateralism. It has been admitted by Nicholas Burns day by day that they are getting isolated amongst new friends. At such a time, we should stand by America and isolate ourselves, at their dictate. We should refrain from undertaking the Iran-Pakistan-India Gas project on their instance which had vote against Iran. It is very unfortunate.

This is not simply a vision of an independent foreign policy strategic programme. The hon. Prime Minister's argument is that there is an economy growing like anything, nine per cent or nine-and-a-half per cent. They can go on saying anything because it has nothing to do with the common people. Even his Cabinet Minister has admitted that this growth, this percentage is not reflected amongst the people. As per their own report 70 per cent of the people of India are living on Rs.20 a day.

In the perspective for growth, we need more energy. Who can deny it? The Left is not denying it. Have they any policy? The only policy document

they have got is the Eleventh Plan Parikh Document on Integrated Energy Policy. There what they have said. Have they got any vision? They have said 2020, 2030 and so many things. Have they got any national policy on the energy mix? How do you calculate this? What is the study? What is the analysis? What is the cost of imported reactor? Nothing has been done and suddenly comes the nuclear renaissance. We cannot miss the bus. Bus to which end, to what goal, whose goal?

Nuclear renaissance is a hype. In America itself, no nuclear plant has been set up for 30 years since Three Mile Island disaster. They are depending, GE, etc. and all other nuclear companies, on outside sales only. Even the international document says that it is now 16 per cent of global electricity consumption. It is an international body. If you want, I can read it. In this our Rev. Pachauri Saheb *hon'ble Pachauri Sahib, who is Noble Laureate, it is in his report, it is study group's report*, that it is only 16 per cent and with the best endeavour you can reach at 18 per cent *on the basis of climate change, as the basis of energy security what is it that we don't have*. The people have been telling – the MP is here, he has written to me and spoken to me – that there is 60,000 MW potential in hydro electricity. What is the difficulty? There is no money. Only in the North-East, this potential is there, the study says that and we have not exploited it. Have you no coal reserves? Is it exhausted? Is there no clean technology available in India today? Is there no Coal Bed Methane (CBM) or no liquefied coal? I would like to know whether you have any national coal use and national coal policy. There is nothing like that. In such a scenario, you are opting for the nuclear energy which is costly. According to a draft calculation in Kudankulam, it was calculated that it would be – even after Russian concession or security help – Rs. 3.50, and the nuclear cost would be around Rs. 4 to Rs. 5. It is not cheap. Now the question is that if it is not cheap, why are you going for that? If you have so much to pay – our independent foreign policy, our strategic programme, our own domestic nuclear programme, we have to go at their instance, they may use nuclear blackmail in various situations which they have done – why should you go for it? Is it to benefit them? Their ailing nuclear industry will be rejuvenated and more jobs will be created there. It is the admission of Condoleezza Rice. But it will be done at the cost of India. We have so much of employment. We will have no jobs. There, we will have jobs because there nuclear reactors will come.

We have a self-reliant programme. We are not against nuclear energy. We want an appropriate, judicious, nuclear energy mix. We are being told

that there is no money; resources are not available. Suddenly, we are opting for the most expensive nuclear energy at their instance. Is it going to help us? No. What I want to say is that if you go for the cost benefit, it is being said that 123 Agreement is different from the Hyde Act, why we are worried about the Hyde Act. Who says this? Sir, 123 Agreement is in conformity with the Hyde Act. Wherever there is no dispute, it is okay. If there is any dispute, their national law will prevail. It is very specific. The Left had put its viewpoint on the relationship between the 123 Agreement and the Hyde Act very categorically as to what is the international position, what is the Vienna Convention about international treaties and all these things. They are hurrying up saying China has done it. **China is a nuclear weapon State.** China is a party to NPT. Why are you comparing yourself with China? The contract between China and the United States is being guided by international law. Ours is guided by US national law.

This has happened in such case, say, about the fast breeder reactor in Japan and all these things and in all such areas. What has happened in the case of Japan? So, Indo-US nuclear deal is put on a level which is detrimental. They say, no, the present President has assured us in writing. What is the use of this writing? The future President will go by the American law only. In such a situation, what we have been saying is that it is okay, if you are so eager that we should not miss the bus, which bus I do not know, for which goal, that also I do not know. We have the experience of ENRON. Have you forgotten that? It is not only about the price; we have said so many things about it. We have said: "Do not do it." They say: "No, it is a different world." In a different world, you have gone for ENRON and Maharashtra people will tell us better as to what is the situation.

I would just like to take this opportunity to tell the Government that ultimately – the Left has told you – you can go to the international atomic energy. But, what for? We want a concrete assurance about the uninterrupted supply. That you have not done for the Russian Programme; you have not signed it. It is a different issue, I am not going into that Kudankulam issue. The re-assurance from IAEA has to be according to India's specific requirement because it will be India specific safeguard. I would like to know from the hon. Prime Minister as to what the India specific safeguard is. What is the guarantee?

You are saying that our fast breeder reactors will also be under the supervision of the international agency in perpetuity. Our nuclear scientists have said that our fast breeder reactors are superior to others in certain

areas. We work on a particular nuclear cycle by which you can use the spent fuel, enrich it and go on.

Now, nuclear waste management is a big problem to the Western world. In such a situation we have certain advantages. But putting the fast breeder reactors under the supervision and under the safeguard, will it be helpful to us?

Now, I come to re-processing. It is very vague. It is notional only. Whatever assurance has been given is only notional. They say that under a dedicated arrangement, we should have this use of spent fuel and all these. What is the cost? So, it is not a simple question of a strategic alliance. It is surrendering to their pressure. As they are getting isolated, they want to get India also to be isolated. It will harm us immensely at the WTO level in our negotiations. Our friends are in G70, G77, and G90. Against whom are we fighting? China, India and Brazil are fighting against the American agricultural subsidy. They are our friends. In so many international bodies and also in the emerging bodies, we are all friends. What message will it go now? After 60 years of India's Independence, India did what India has never done. They mentioned this in their speeches.

The Congress Party people can read these aspersions about how they had been dealing with Soviet Russia and others during the time of Pandit Nehru. They had the audacity to mention that the Soviet weapons were flooding in the Indian military. We have 126, Multi Role Combat Aircraft ...
(Interruptions)

Mr. Speaker: Now, please conclude.

Shri Rupchand Pal: Please give me one minute. Apart from that, they are saying that India should simultaneously open up banking, India should open up insurance and India should open up foreign retail. In such a scenario, we think that this Government is not applying its mind to the dangers in the Deal itself.

It is said that 90 per cent of the Indian civilian nuclear reactors would be under the supervision of IAEA. How do they calculate? That is the question I am asking. Nicholas Burns, who is the Chief Interlocutor, himself is writing that 90 per cent of the Indian civilian nuclear reactors will be under the supervision of IAEA in perpetuity. That also is in perpetuity. Then, we know their concept of democracy. They are saying that with India, they will just stabilize democracy in so many countries. What will happen to our

relations with so many other countries? We know as to what sort of democracy they have. We know what happened in Iraq and what happened in Afghanistan. Now, strangely we find the Government voice in terms of its support to Palestine and in relation to various other Middle-East issues. It is toned down so substantially. We apprehend that the pressure has started to work on them. Sir, I am concluding now.

He further says that 'the military co-operation is impeded by the fact that much of the Indian Military still uses a considerable amount of Soviet Union equipment. A significant Indian Defence purchase from the United States, for example, of the new Advanced Multi-role Combat Aircraft that the Indian Air Force take, would be a great lead forward.' So, 123 is not 123; 123 is also 126, that is, their aircraft.

He says about the Indian Arms Bazar, Indian Insurance Market, Indian Banking, Indian Retail and India as an ally to guard the seas and the Navy. And, they are insisting on PSI, Proliferation Security Initiatives. They are insisting on many other such Agreements, which we did not agree earlier.

We know, very recently the nuclear materials equipped ship had come. There are Australia, Singapore, the US, Japan and India. What signal had it sent? What was the reaction to our neighbours? What happens? It is the logistic agreement that the fuel services would be allowed and they would take the fuel here, and they would just wait in the Indian Ocean or the Bay of Bengal. They are waiting. Will not our neighbours be surreptitious about us? For the fault of America, we will have to suffer, we will have to be punished. It had happened long back. When these people were agreeing to send the Indian troops to Iraq, the whole august House woke up and said: "No." But still they were hesitant. There was no condemnation. They used the only word 'deplorable'.

Sir, I am just concluding.

Mr. Speaker: It should be actual concluding.

Shri Rupchand Pal: I am concluding.

About the timetable, they are hurrying up and saying: "By January, you must have to do this; this has to go to the US Congress" as if their Parliament, their US Congress is superior to the Indian Parliament. The Indian Parliament must discuss it. Let there be a sense of this House. We know that in our Constitution, there is no provision of ratification of any International Treaty. We shall discuss it later on when the time comes.

But it is our earnest appeal. We have submitted our viewpoints. On the PM assurances with regard to all the reservations we had made regarding the Draft Bill, most of them have been trampled down by the Hyde Act. Our apprehensions have been proved true repeatedly. Please take the sense of the House. Do not proceed further because of the majority of this sovereign House is against this very, very important Deal, which has a serious bearing on the future of this country, on the future economy of this country, on our nuclear programme, on our self-reliance and on our relations with other countries in an emerging multi-polar world.

Thank you.



**113. Speech of the Leader of the Opposition in the Lok Sabha
L. K. Advani while participating in the debate in the Lok
Sabha on the India-United States Civil Nuclear Energy
Cooperation Agreement.**

New Delhi, November 28, 2007.

Shri L.K. Advani: (Bharatiya Janata Party): Mr. Speaker, Sir, though it is not the first time that we are discussing this particular matter, but I still believe that at this point of time, this has become a very important debate in the history of Parliament.

Just now, Shri Rupchand Pal, while concluding his speech, said that he would like a sense of the House to be taken so far as this issue is concerned. I for one see no reason why the Government should not have agreed to have this discussion under Rule 184 of the Rules of Procedure and Conduct of Business. I can understand that irrespective of what the vote is, the Government may say that the Constitution does not obligate us to seek ratification for any international treaty. Therefore, you have expressed an opinion. There are occasions when the House expressed its opinion.

Mr. Speaker: May I interrupt you for a second? When I had given my ruling on the notice under rule 184 in the last Session, I had not consulted the Government. Therefore, Government's willingness has no relevance for me. It is because you said why did the Government involve.

Shri L.K. Advani: I accept it. But I think that so far as the sense of the

House is concerned, it has already been expressed on several occasions. Once when we staged the walk-out against something that had been said on this particular issue from the Government side, almost all sections of the House walked out. In fact, from even the UPA, the Left Parties also walked out with us. There have been other occasions also. I am not going to go into that.

Today, the Prime Minister is here and I would like to recall that when first he met President Bush way back in the year 2005 when exactly this debate started in the country among political parties, among thinking sections of the people, a question was posed to him two days after his Joint Statement with President Bush had been issued on Nuclear Cooperation. The question posed to him at a Press Conference held in Washington on 20th July 2005 was this. "Mr. Prime Minister, do you see any resistance coming forward from your Allies—obviously, they had an inkling of what is likely to happen—and the Opposition?" So, despite what my friend Mr. Rupchand Pal may say about Strobe Talbot and all that, they knew that on this particular issue, we had certain very strong reservations. So, the question posed was: "Do you see any resistance coming forward from your Allies and the Opposition in putting the new India-US Policy to practice, and will you seek a Parliamentary consensus or approval to the new direction you seem to be taking in Foreign Policy?" So, they take it for granted that it is a new direction in Foreign Policy that this Government is taking.

The Prime Minister Dr. Manmohan Singh replied: "Well, the Parliament in our country is sovereign. It is my intention to make a Statement in Parliament when I go back home, and it goes without saying that we can move forward only on the basis of a broad national consensus." Now, my first poser to the Prime Minister is this. Do you see this broad national consensus before which you have used the word, "only if there is a broad national consensus"? In this country, we do not have any provision in the Constitution for a referendum as is there in some other countries.

But so far as Parliament is concerned, I am sure that you are aware, everyone is aware that there is no consensus on this particular deal. So, when it is obvious that there is no broad consensus on this deal, why are you so rushing into this deal? Why? I cannot understand this. Why can you not think in terms of what we have suggested all along? Think of ways of re-negotiating the deal.

Their objection is not to the deal so much. You could see it even in the first

sentence itself. It is either anti-Americanism or anti-BJPism which becomes the guideline for all of them. So their very first sentence is that they are against any kind of strategic partnership with the United States. We are not. We are not. So, when people quote me, Strobe Talbot or Jaswant Singh's book or my statement which I made, I simply emphasized this. While in the discussions in the other House, many times it may seem that the CPI(M)'s opposition and the BJP's opposition is identical. No, it is not identical.

The difference I wanted to stress in that particular statement which was supposed to be a shift in my stand. No, there has been no shift all along. I would like to tell you one thing. It is true that in the last Session, this issue could not be discussed as it ought to have been. Why? It was because after all, we said why we cannot have a Joint Parliamentary Committee on this. The Government did not agree and instead first said what has been done is signed and sealed and it is not negotiable and therefore, we cannot have a Joint Parliamentary Committee going into it. But it was a surprise for the country to find that instead of a Joint Parliamentary Committee in which all could have participated including the Left, you formed a Committee of the UPA and the Left. How do you explain it?

Today, my second poser to the Prime Minister and the Government is this. What has been accomplished by this joint committee of the UPA and the Left till now? From the Press all that we see is that the Committee met and decided to meet on this day again. Very often these days it appears that while the Congress is particular about the deal and says '*bachao* the deal' the Left, especially the CPI (M) suddenly says '*bachao* Bengal'. Not only that, but the kind of flip flop that you are making makes me feel that you are no longer concerned with the deal; you are more concerned with the timing of elections. You do not want an election now and therefore, you say, 'All right, you go ahead with IAEA, talk to them and we will see later'. We have a veto with us. Do not deceive yourself and do not deceive the country. ... (*Interruptions*)

Shri Rupchand Pal: We are not deceiving. ... (*Interruptions*)

Shri L.K. Advani: You are where you are, but it is certainly expective of a party which is part of a coalition, which is part of an alliance not to behave in this manner. I will see their outlook later. I will come to the deal itself.

I was surprised to find that in one of his earlier statements made in Parliament, the Prime Minister said on 13.8.07 :

“As I have said, this is an agreement for cooperation between India and the US on peaceful uses of nuclear energy. Its genesis is the shared perception between the India and the US that both our countries need to address their energy challenges ...”

I can understand that we are looking at it from the energy point of view, but I do not see how America also is looking at this deal from the point of view of energy. What is mentioned in this statement is ‘its genesis is shared perception’. The US is certainly not looking for nuclear energy as a major option, leave alone the most important option to meet its energy challenges; we may be. I can say that we have our energy concern which I share, though I do not agree that this is going to be a solution to that, but the US is certainly looking at this from a strategic angle. This is the difference. They are not looking at it from the energy angle.

The Minister of External Affairs (Shri Pranab Mukherjee): Would you just concede for a second?

If you just go to the second sentence of the 123 Agreement, which is an agreement between the India and the USA, it says:

“Recognizing the significance of civilian nuclear energy for meeting growing global energy demands in a cleaner and more efficient manner...”

This is the agreed text of an agreement. The agreement is yet to be finalised. Therefore, both USA and India recognise the need of sharing the common perceptions of energy.

Shri L.K. Advani: Thank you, Shri Pranab Mukherjee. I can only endorse what my friend Shri Rupchand Pal just now said, namely, that there has been no nuclear reactor that has come up in America for many many years. Therefore, ... (*Interruptions*)

Shri Pranab Mukherjee: You just see what you said a few seconds ago, and what was my contention.

Shri L.K. Advani: No, I can understand that you can have it in a format, but so far as reality is concerned, the reality comes out very clearly in other statements that they have made. I will quote them later on. ... (*Interruptions*)

Shri Pranab Mukherjee: You can give your own argument, and I have no problem with it.

Shri L. K. Advani: It is my conviction that while our concern is energy, their concern has been all along strategic. The strategic approach adopted by Shrimati Indira Gandhi in 1974 and pursued further by Shri Atal Bihari Vajpayee in 1998 is to see that it is contained. This is their principal objective, which I will prove just now.

They are not concerned too much with this as for them it is only Russia and China who have the right to build-up nuclear arsenal. So far as India is concerned, they are opposed to it irrespective of which Government is in power whether it is the Congress Government or the NDA Government. ... *(Interruptions)*

Shri Rupchand Pal: We are advocating universal disarmament.

Shri L.K. Advani: I can quote even a recent statement that: "Our approach on the nuclear weapons is clear from the very beginning. India must not go in for weaponization in the nuclear field." This is your statement, and I can understand it. ... *(Interruptions)*

Shri Rupchand Pal: We are supporting universal disarmament.

Shri L.K. Advani: Sir, Dr. Manmohan Singh in the famous statement made at the Tarapur Atomic Power Plant on August 31 said that: "India cannot afford to miss the nuclear bus." He said that: "There is today talk the world over of a nuclear renaissance, and we cannot afford to miss the bus or lag behind these global developments."

The UPA Chairperson, Shrimati Sonia Gandhi, went a step further while speaking at Jhajjar in Haryana when she said that: "Those who are opposed to the deal are not only enemies of the Congress, but also of India's development." I do not know why people should use words like enemy in this context meaning both the Left Party, who are allies to the Government, and the NDA, which is certainly opposed to the Government. We are political adversaries, and none of us are enemies of any other Party. But this statement mentioning 'enemies of development' is difficult to believe.

I have with me the Integrated Energy Policy Report of the Expert Committee set up by the Planning Commission. It was released in August 2006. It has taken into account all the promises made in respect of energy in the nuclear deal. The Committee was headed by Dr. Kirit S. Parikh, and Dr. Anil Kakodkar, Chairman of the Atomic Energy Commission (AEC) was also a Member on the Committee. I would like to quote just one portion of it. The Report says that: "Even if a 20-fold increase takes place

in India's nuclear power capacity by 2031-2032, the contribution of nuclear energy to India's energy mix is also, at best, expected to be 4.0 - 6.4 per cent." This is the total. It further says that this is an optimistic scenario, and possibilities of imports of nuclear fuel would be made possible if the Indo-US Agreement is not impaired. Only then, there will be this scenario – 4 to 6.5 per cent. Now, how can this be called a Deal to ensure energy security for the country? Certainly not; it is so obvious. Let us not delude ourselves.

It is true that my Party, the BJP, earlier the Jan Sangh, has been the only Party – in 1964, China had its nuclear blast at Lop Nor — which in 1964 itself moved a Motion in the Lok Sabha, but in 1966, we formally adopted a Resolution in our Party's National Council at Varanasi that India must build up a nuclear deterrent of its own. I can tell you that in those days all other political parties criticized us, scoffed at us, and the argument was that we could not afford it; India just could not afford it because our resources were very limited. But we drew strength from the fact that the Principal Architect of India's Nuclear Programme, Dr. Homi Bhaba. He was among those who favoured India becoming a nuclear weapon State, and he said it very clearly. So much so that in one of his very significant speeches made on All India Radio on 24th October, 1964, the same year as China had its nuclear blast at Lop Nor, he said: "Atomic weapons give a State possessing them in adequate numbers a deterrent power against attack from a much stronger State." This was the statement that he made in 1964 just a few days after the Lop Nor blast, though at that time the Government's policy, the Government was headed by Pandit Nehru, was that we would develop our nuclear programme, that our nuclear energy would be used only for peaceful purposes, and that it would not be used for weaponizing the country.

Our Party became the sole Party to be an advocate of this and it is going on since then till today. So, when in 1998 Vajpayee ji became the Prime Minister, he was able to make all the other parties in the Coalition agree to this that we must develop a nuclear deterrent of our own. On the 19th of March, the NDA Government took office, and on the 11th of May, we had these Pokhran-II blasts. I can say, at that time, we were criticized within the country not only by the Left Parties, but even by the Congress Party. The present Prime Minister was Leader of the House in the other House and he criticized us. His criticism was that the consequences for our economy would not be good; it would damage our economy; economic sanctions would be imposed on us, and the consequences would be these.

Sir, I think Mrs. Gandhi did the right thing when she departed from the policy laid down by Pandit Nehru, and in 1974, shortly after the Indo-Pak War in which War, America had sent its nuclear-armed Seventh Fleet to the Bay of Bengal.

Shri N.N. Krishnadas: At that time, the Soviet Union protected us.

Shri L.K. Advani: Therefore, if Soviet Union protects us or helps us, my Party has always been grateful to it. We were in favour of the Indo-Soviet Defence Agreement that we signed shortly after the War. We are not like you in which you have a closed mind in respect of America. You would not talk about America. So far as we are concerned, even at that time, we had favoured... (*Interruptions*)

Shri N.N. Krishnadas: We are against American imperialism.

Mr. Speaker: Advani ji, do not reply to it.

Shri L.K. Advani: They are not worthy of reply.

Mr. Speaker: But you have replied to that.

Shri L.K. Advani: I concede to the Speaker's advice. He thinks that you should not be replied.

Mr. Speaker: I said that you should not get diverted because your speech is a very important speech.

Shri N.N. Krishnadas: You always take advice from the hon. Speaker.

Mr. Speaker: It is better to take advice from me than anybody else, so far as the issue of running the House is concerned.

Shri N. N. Krishnadas: It should always be like that.

Shri L.K. Advani: Therefore, my first point to the Government is, do not try to mislead the people by telling them that this is for energy purposes only and anyone who is opposing this is in a way standing in the way of India's development. I think that we need energy. I may even mention something that relates to our period in Government. Recently, many negotiators came from America to persuade us to support this Deal. It made me feel that even more than the Government of India it is America which is interested in this particular Deal. One of the people who met me and who has been involved in this nuclear programme of America, he

originally happens to be an Indian who has lived in Mumbai, belongs originally to Goa, and has written an excellent, a very comprehensive book on India's nuclear policy and nuclear doctrine. His name is Ashley Tellis. I am not going to mention anything that he spoke to me personally. I would not mention it; it is not proper. But I have seen one of his interviews on Rediff.Com in which the question was that why no Deal was struck with the Vajpayee Government of this kind. His answer was that the Deal could not be reached because the Vajpayee Government did not offer much to the US in exchange for the Agreement. We got more from the Government of Dr. Manmohan Singh. The next question was: "What is it that you wanted from the Vajpayee Government but could not get?" The answer was: "I am afraid, I cannot answer this question." Now, this made me make some enquiries into those who were in the matter at that time. I am told that so far as negotiations with our Government are concerned, at that time, there was never even a suggestion that there would be a ban or a curb on our right to test. Secondly, we were willing to open only two reactors for inspection – two out of sixteen – by the IAEA and no more. There were other matters also on which we could not agree, but the sum and substance is that this particular statement, "that we could not get from the NDA Government what we were able to get from Dr. Manmohan Singh's", I do not know how to see it.

But what I do see is that Mrs. Gandhi went in for Pokhran-I. The other day the name that was mentioned, Mr. Paul, Henry – one Henry came to see me also (Henry Kissinger) – and I casually happened to tell him that my Party has always been in favour of India becoming a nuclear weapon State, which Pandit Nehru and subsequent Governments up to Mrs. Gandhi's, were not in favour. I even mentioned that Shri Morarji Desai was also not in favour of it, and we were in that Government. But Mrs. Gandhi, after US sent that nuclear-armed Seventh Fleet, was prompted to go in this direction. When I said to him, "Your Government", I meant the Government at that time, he smiled and his reaction was, "Well, I have been personally blamed for that."

Whatever that was I cannot say. But this much I can say that Mrs. Gandhi took a step in the right direction when she thought in terms of building India as a nuclear weapon State. In between there were several Governments, in one of which Shri Venkataraman was Defence Minister. He is publicly on record having complimented Vajpayeeji when a book by Vajpayeeji was being released, and saying, "While I was Defence Minister, all the things in Pokhran were ready. Everything was ready. I also went and inspected it at the last moment and I found everything in order. The scientists were there

and everything was there. But we somehow failed to do it because we came under pressure. I compliment you for disregarding all kinds of pressures and going in for Pokhran II". Shrimati Gandhi did India proud when in 1974 she conducted Pokhran I. Shri Atal Bihari Vajpayee did India more proud by completing the process - that was the first step really – and conducting Pokhran II.

Mr. Prime Minister, are you determined to ensure through this deal that there will be no Pokhran III? Is that your desire? Our objection to this particular deal is principally because this deal prohibits India from making another test. Our feeling is that today India is at a stage where it is in a position to gradually build up an effective nuclear deterrent against all our hostile neighbours. I am told that we are going in for it. Well, very good. But this is also true that the 123 Agreement says that national laws will prevail. American national law will prevail on this insofar as our strategic partnership is concerned. Section 106 of the Hyde Act bans Indian testing. It also specifies the consequent punitive actions that might follow including America's right of return of nuclear reactors and other materials sold to India. The 123 Agreement upholds applicability of national laws to govern its implementation. Hence, the 123 Agreement cannot override the Hyde Act. This has to be understood.

This was very clearly explained by Nicholas Burns himself when a reporter asked him in a Press Conference. "In the Hyde Act US Congress made it quite clear that if India were to test a nuclear weapon, American cooperation with India would cease. If you are giving India assurances that there will be no interruption in its fuel supplies regardless of what happens, how does that comply with the law?"

This is a very pertinent question posed by a journalist. Look at the answer that Mr. Burns has given. He states, "First of all, we were quite careful when we began this latest phase of negotiations and we reminded the Indian Government that since the President and the Prime Minister had their two agreements of July, 2005 and March, 2006, something else has happened. The United States Congress had debated over six, seven months those agreements and the Congress has now passed the Hyde Act. So, we had to make sure that everything in this US-India Civil Nuclear Agreement, the 123 Agreement was completely consistent with the Hyde Act and well within the bounds of the Hyde Act itself".

So, this kind of trying to tell us that the 123 agreement does not mention Hyde Act, the 123 agreement does not mention all these restrictions, this is misleading us. No, it is not true.

The two essential parts of the clarification given by Burns are - firstly, he invited the Indian negotiating team that in terms of sequence of events, the Hyde Act comes after the two agreements between Dr. Manmohan Singh and President Bush; and secondly, we had to make sure that anything in this US-India Civil Nuclear Agreement, the 123 Agreement was completely consistent with the Hyde Act and well within the bounds of the Hyde Act itself.

Sir, in its present form, in the final form, the US legislation adopted the NSG guidelines, imposed extraneous conditions on India, this is what Dr. Manmohan Singhji said in Rajya Sabha on August 17 – if in the final form, the US legislation be adopted the NSG guidelines, impose extraneous conditions on India, the Government of India will draw the necessary conclusions consistent with the commitments I have made to Parliament.” This is your own statement. Are these consistent with the assurances given in both Houses that under no circumstances, would we accept the kind of restriction on our right to - you have said in this House also - test? Though it is said that provisions have been made which call for discussion and we have to convince the American side...

Mr. Speaker: If you yield?

The Prime Minister (Dr. Manmohan Singh): Since you have quoted me on India's right to test, what our Government has committed on this issue of testing is no more than what your Government had done that we are committed only to a unilateral moratorium and that if in our wisdom, if necessity arises that this country has to have a test, there is nothing in this agreement which prevents the exercise of that sovereignty.

Shri L.K. Advani: Correct. I had anticipated this comment of yours that after all, we had unilaterally decided to impose the moratorium but a country which unilaterally decides to have a moratorium on the point which we have reached, can unilaterally decided to disregard that. On both occasions – whether it was in the case of Mrs. Gandhi in 1974 or in 1998, in the case of Shri Vajpayee, America did try to penalize us. Though in 1974, the sanctions imposed on us were far severe; and secondly by 1998, India had arrived at a stage where even the severe constraints could not do us much harm so that practically they had to withdraw them. But on both occasions, the consequences followed.

Here, we are inviting consequences by signing for them this agreement that if we test, the consequences, the right on return of America. This would be something which we never agreed to. You imagine something

like that happens and sometime later, some other Prime Minister has to reply in this House. What will happen? How can he defend that we have agreed to it? We have agreed that if we test, then, you have the right to take back our nuclear reactors and you have the right to take back other related necessary materials. We would have never done it.

Unilaterally, they are doing it and trying to penalize us is one thing, and by virtue of a pact, we do it and we agreed to it. We are opposed to this kind of infringement. I regard it as an infringement of India's sovereignty. That we will explain why a test became necessary? China did this; Pakistan did this; so and so country did this. They say, no, we are not satisfied. It is for them to be satisfied that the argument that we have for going in for a test is justifying. This is the Pact and we have agreed to. We said that if you are not satisfied, you can take back all this.

Mr. Prime Minister, the whole thing is so apparent that no self-respecting country should agree to it. I am sure that if Mrs. Gandhi were there; if Shri Vajpayee were there, they would not have agreed to this kind of encroachment of our sovereignty.

Sir, I had mentioned about Dr. Bhabha being an advocate of India becoming a nuclear weapon State. These days, while studying the whole thing, I was surprised at least I did not recall it that way but a small thing that I had thought might be worth mentioning on this occasion. On 11th January 1966, just hours after he had signed the Tashkent Declaration, formalizing the end of hostilities in the war with Pakistan, the Prime Minister Shastri died of a heart attack. This is a casual mention of a fact.

Just two weeks later, on January 24, on the very day Shastri's successor Indira Gandhi was sworn in as the Prime Minister, Dr. Homi Bhabha was killed while on a trip to Europe, when the plane in which he was flying collided with Mont Blanc in France. India's impressively large nuclear establishment was suddenly left without any official plan or policy to give a direction.

Now, it makes me wonder – was it just an accident? I do not know. I have no further information than what I have come across in this. To me, it seems a mischief that a person who was the head of our nuclear establishment and who had not kept it secret to himself and who had publicly said that India should have a nuclear weapon, dies like this. And he had publicly said, in reply to a question during a Press Conference, which I had participated in, as a Journalist in those days, that if the Government of India were to give me clearance, our own atom bomb would be ready within

18 months to two years. Such a person suddenly being killed in an accident of this kind, it does make me wonder. Maybe, you have more facts about those days, but I do not have. I thought, I might put it on record, that it is to me an enigma and a mischief.

In the same context, I would say that today we are outside the Nuclear Weapons' Club. Why? It is only because of the Non-Proliferation Treaty. The NPT Act passed in 1967 and implemented in 1970 said that only those countries which have developed a nuclear weapon of their own before 1970, would be deemed as nuclear weapon States. I today wonder if we had not committed that mistake, in those days, in the 1960s and had gone by Dr. Homi Bhabha's advice, we would have been a part of that club.

He even requested Pandit Nehru that we should have it. But Pandit Nehru said, 'No. Not so long as I am there and I would not favour it'. If we had done it at that time, we would have been a part of this Nuclear Weapons' Club, before 1970 and all the debate that is now taking place, would not have been needed. We would not have been in this situation. We are now being pushed into the non-proliferation regime in this manner because we need nuclear energy; and therefore, they are taking advantage of it, by pushing us into the non-proliferation regime.

I must compliment Mr. Nicolas Burns, the US Under Secretary of State for Political Affairs, who was one of the main negotiators and the Principal Spokesman for all that had happened. He said that this deal brings India back into the Non-Proliferation mainstream in a way, it was never before. It is true. Never before had any Prime Minister agreed to this. But we agreed to this.

He went on to say that – he did not talk about 'energy' – this deal is the centrepiece of Indo-US strategic relationship. I am not against strategic relationship; I am not against strategic partnership. But this strategic relationship and partnership is in the nature of a junior or of an unequal partner; India cannot be an unequal and a junior partner of America or of Russia or of any other country. India, this one billion strong Indians, is a proud nation, which cannot be subservient or junior to any other country.

My objection to this particular deal is principally because firstly it bars our right to test.

Secondly, it makes us a junior partner in this partnership with America.

Thirdly, whatever we may say, they have also said that it is not merely IAEA but even American inspectors can come and see the nuclear reactors that

are opened. You have assured us the other day that under no circumstances you will allow Americans to come here and see, yet it is there.

I would say that if in the sixties we would have done what Dr. Homi Bhabha advised us to do, we would not have missed the nuclear weapon club or the nuclear weapon bus. We missed it. Now, let us not commit ourselves to that situation in perpetuating. This particular 123 deal says that it will last for 40 years.

One of the leading papers of Delhi, one of the leading editors who had been a Member of the Congress Party at one time, Shri M.J. Akbar wrote on that day that it is a day of dependence. After sixty years of Independence are we going to sign a deal which make us dependent for 40 years? 123 deal itself says that this will last for 40 years.

Only recently the Prime Minister went to Moscow, Russia. Among the journalists who accompanied him, one was a well known editor of *The Hindu*, Shri N. Ram. I saw an editorial in *The Hindu* after the Prime Minister's return. The editorial says: "According to Russian official sources an inter-governmental agreement, presumably on par with India's 123 Agreement with the United States, was fully prepared for signatures during the Summit but the Indian side backed out at the last moment." I do not know why. I do not know what the proposed agreement was. Why the Indian side backed out? *The Hindu* itself says that it was according to the Russian official sources. This is what he gathered. Shri N. Ram is a very responsible editor.

I would urge the Government to come to Parliament clean on this matter. What exactly happened? What was the proposal? What transpired? Why did you back out if you had agreed to it earlier? All these things must be known, otherwise, some of the complaints people have about how independent is our direction of Foreign Policy would certainly come under question mark.

I shall conclude my remarks by saying that 123 Agreement, as it stands, is unacceptable to the nation because it is deeply detrimental to India's vital and long-term interest. Let me say that hereafter if NDA gets a mandate, we will re-negotiate this deal to see that all the adverse provisions in it are either deleted or this treaty is rejected completely.

Thank you, Sir.



114. Speech of External Affairs Minister Pranab Mukherjee while replying to the debate in the Lok Sabha on the Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, November 28, 2007.

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(Before the start of the External Affairs Minister's reply Shri L.K. Advani and some other Members left the House.)

The Minister of External Affairs (Shri Pranab Mukherjee): Mr. Deputy-Speaker, Sir, I would like to express my gratitude to all the hon. Members who have participated in this discussion from 2 o' clock in the afternoon till now. Twenty-nine hon. Members have made their contribution. I expected that the principal Opposition party, the Leader of the Opposition would remain to listen to the reply to the points, which he raised but after all we are living in a world where all the parliamentary norms, etiquettes and courtesies are thrown to the wind. Therefore, I am not surprised to know the behaviour of the BJP and other NDA partners are not unexpected to do this. I am a small fry. But for the first time in the history of this country, the hon. Prime Minister of the country was not allowed to speak on August 13, 2007 when at the earliest opportunity, in deference to the parliamentary customs, etiquettes and systems, he took the opportunity to explain to the House the agreed text of the 123 Agreement. I would say, in the course of my observation, I would try to cover the various points which the hon. Members have made but even the beginning has a beginning. This 123 Agreement, this discussion is practically the continuation of the discussion which should have taken place in the Monsoon Session. Shri Rupchand Pal has correctly pointed out while raising the discussion that because of the obstruction of the principal Opposition party, it could not take place. Nonetheless, I am happy that we have the opportunity to clarify a large number of issues which have been raised by the hon. Members. Sir the Prime Minister has articulated his views on this important arrangement which is proposed to be entered with the USA. First of all I would like to clarify one point which the Prime Minister also mentioned on a number of occasions. This 123 Agreement with the USA is with the completion of this process, which has three stages – one stage, an agreed text between USA and India has been worked out, which has been frozen; the second stage, to enter into an India-specific safeguard arrangements with IAEA, which is

the supreme international body to supervise all matters related to international atomic energy. India is one of the founders of this body in the early 1950s and has contributed in its own way in strengthening this most important and vital regulatory body of the international atomic energy. We are neither a stranger nor a new comer to IAEA; like many other international bodies, India is one of the founders of IAEA.

The short point which I wanted to flag at the initial stage is that this agreement will provide us the passport to enter into agreement on nuclear trade with a host of other countries. The fact is that after the first explosion of 1974 and also after the second Pokhran Test in 1998, there had been sanctions.

The Leader of the Opposition, while making his observations, boasted that his Government had been able to persuade USA to remove all sanctions. Most respectfully, I would like to submit that it was not. A number of Indian entities are still not allowed to participate in many international events related to the nuclear matters. I would not use the word 'apartheid'. But the hard, cold fact is that despite having the talent, our experts, our engineers and our scientists had been denied access to many areas.

One of the Government owned organizations is included in the entity list which is a very important defence organization and some of their activities come under the scanner of USA, as per their own domestic laws. We may like it or we may not like it, but this is the reality. Therefore, an attempt was made to cross the hurdle; once we cross this hurdle, it would be possible. But for crossing this hurdle, the support of 45 countries including USA, Russia, France, China in the NSG and about 30 plus countries in the IAEA group, is needed and this is to remove the restrictions of having access to the nuclear trade, having access to the nuclear technology, to come at par and remove the constraints which are prevailing today. A major part of the speech of the Leader of the Opposition was devoted to boasting, that they have done a great job, by having the second Pokhran test. He told the Prime Minister – that was the burden of his song – that India has sacrificed the right to test, of which he is very proud of. his observations he himself stated that his Party came to power on 19th of March, 1998 and they conducted the test on 11th of May, 1998 in less than 30 days. Not even a child will believe that a nuclear test can be conducted in less than 30 days. Everything was ready.

Here I would most respectfully like to remind the hon. Members that we had a policy from day one and the policy was enunciated by no less a person than the Father of Nation Mahatma Gandhi supported by Pandit

Jawaharlal Nehru. We are a strong believer in total nuclear disarmament. We did not sign NPT, not because we wanted nuclear weaponisation but because we considered it as a fraud treaty. It is discriminatory. It is creating nuclear haves and nuclear have nots. We did not want to participate in this discriminatory fraud Treaty where two classes of nuclear haves and nuclear have nots are created.

He lamented that he could have entered into the nuclear club if Mr. Nehru did not commit that mistake. Pandit ji did not commit any mistake. He saved the world from impending Third World War but for his policy of non-alignment, taking strong position on various international issues starting from the peace initiative in Korea to condemning the nationalisation of Suez Canal in 1956, attack on Egypt on the issue of nationalisation of Suez Canal in 1956 and preventing the total assault on Egypt through persuasive. World was saved from a catastrophe.

When in 1974 Shrimati Indira Gandhi went for the nuclear explosions, it was not for indulging in weaponisation. Those speeches were made on the floor of this and the other House. They are on record of this and the other House. She categorically mentioned: 'I wanted to have the technology. I wanted to test the competence of the Indian scientists, Indian technicians and Indian engineers'. The purpose was the peaceful use of the civilian nuclear programmes. It was not war-mongerism.

It was taken further in the 3rd Nuclear Disarmament Conference by young Prime Minister, Shri Rajiv Gandhi. He told the whole world: 'I am ready. My engineers, my scientists and my technologists are ready. We are just screw drive away from the weaponisation programme. We can do it. We can do it right now. But I want to assure the international community that I will not cross the threshold level.'

We used to have a pledge from 1974 till 1998, almost quarter of a century that we shall keep our options open. We did not fore-close the option. That was the message which Shri Rajiv Gandhi conveyed to the world community: 'I want universal, non-discriminatory, verifiable disarmament where both horizontal and vertical proliferations would be stopped and if the international community agree I will not graduate myself from the threshold level to the nuclear weapon states. That is the philosophy. Perhaps, it is beyond the comprehension of the Leader of the Opposition and his Party, that is why, he found fault with it. I cannot contradict what he said because it is unfair. Unnecessarily he has brought the name of a distinguished son of this country, the former President of India. But the

fact of the matter is that Mr. Venkataraman was the Defence Minister during the Prime Ministership of Shrimati Indira Gandhi and not during the Janata Party and not even after that. Therefore, it is totally unacceptable. This is the factual position. The Leader of the Opposition could have made his home work that Mr. R. Venkataraman was the Defence Minister from 15th January, 1982 till the day he was elected as the Vice President of India in July 1984. At that point of time, the Prime Minister was Shrimati Indira Gandhi. Who will believe in this House and in the whole country that Mrs. Indira Gandhi abandoned the nuclear testing programme under pressure from the United States of America. He started by saying – which I have to contradict and the Prime Minister also had to contradict – that the USA is not interested in the energy programme. The very second sentence of the 123 Agreement starts with the energy programme.

He asked why did we not go to the Joint Parliamentary Committee. I explained it on the floor of this House itself. I explained that the Constitution was made by the mighty minds of the then India who devoted their lives to the service of this great nation. In the debates of the Constituent Assembly I found that this issue was debated and the constitutional position was made quite clear. Subsequently, the Supreme Court has also made it quite clear. I would just like to quote one judgement of the Supreme Court in the case of Union of India and another versus Azadi Bachao Andolan and another. In paragraph 18 of the judgement of case No.2004/10 SCC, the Supreme Court said:

“The power of entering into a Treaty is an inherent part of the sovereign power of the State by article 73. Subject to the provision of the Constitution, the executive power of the Union extends to the matters with respect to which Parliament has power to make laws. Our Constitution makes no provision making legislation a condition for the entry into an international treaty in times either of war or of peace.”

That is the constitutional position. That is the latest interpretation of the Supreme Court of India. But any international treaty is not *ipso facto* operationalised if it requires any legislative backing. Then the appropriate legislature and in this case, the Central Parliament, will make the legislation under Entries 10 and 14 of the List I of the Seventh Schedule. It is this House itself. That is not so remote memory. In 1994, when we signed the WTO Agreement, an international treaty, and accepted the Intellectual Property Rights to execute that and to put into effect that obligation, we

had to amend the Patents Act of 1973. That was to provide the product patent which was not available in respect of three items, namely, pharmaceutical, agricultural and food items. That was done by making an enactment in the Parliament. Never has the hon. Prime Minister said that he will not come to Parliament. The statement which Shri Advani quoted, it clearly says so and that is why when the joint statement was issued after 18th July, 2005 we debated it in Parliament. After the Separation Plan, March 2006 we debated it in Parliament. We debated it in Parliament on 6th August, 2006 and again we debated it in Parliament in 2006 when the Hyde Act was passed and at the earliest opportunity the agreement was signed in August. I think, it was sometimes on 1st August, 2004 and the hon. Prime Minister came to Parliament on the 13th of August. My colleague, the hon. Minister of Parliamentary Affairs assured the BAC that look on the basis of the Prime Minister's statement we will take it up on the next day. Where have we said that we do not want to carry the people with us?

Somebody from that side suggested that there should be a political consensus. The hon. Prime Minister should take the initiative. He took the initiative and to my mind, excuse me for saying this, he took extra initiative, which was perhaps not necessary, several times as soon as it was signed and the Leaders of the principal Opposition parties, and the NDA leaders were invited. What was their initial reaction? Their initial reaction was that they congratulated the negotiators and they came out and told the waiting media persons outside. After that suddenly they discovered that this agreement cannot be accepted.

Shri Advani also pointed out that there will be no tests. Do you not want Programme III? Whether one wants Programme III or not is a different matter. But I myself on the floor of this House in August last stated that yes we will not hesitate to conduct the test if it is necessary for the country to have this nuclear test keeping in view our security requirement. A question was asked, what is the guarantee that we can go for test? What is the guarantee that we will have it? If one would have read the text — it is not a very big text, there are only 17 clauses and it does not run into hundreds of pages — then one would have found out article 5(vi) (b) assures continuous fuel supply and article 14.8 suggests that it will not affect the military programme. I am reading the first portion of the article.

“The parties affirm that the purpose of this agreement is to provide for peaceful nuclear cooperation and not to affect the un-safeguarded nuclear activities of either party.”

Our strategic programme is un-safeguarded. We have not given it to them. He claimed because somebody gave some interview that what he could not get from Mr. Atal Bihari Vajpayee, we got from the Government of Dr. Manmohan Singh. He gave an example that we gave only two reactors of existing reactors to be under safeguarded. But all future reactors were to be brought under safeguard arrangement and that was the conclusion which the NDA Government did with the USA. What did we do you will find in the text. We said that these six reactors we are giving for safeguard. In future, what the reactors will provide for safeguard, it will be decided by us and not by you. In the text of the agreement, we have one word that our military programme will not be affected. I do not know, if they do not believe the Prime Minister of India, Minister of External Affairs of India, the commitment which we have made in this language of the 123 agreement, when the Prime Minister gave assurances to our Left friends in respect of nine points which were raised. Our job was to ensure that in this 123 agreement, all these nine points are protected.

Sir, just for the recapitulation of the hon. Members, I would like to explain what are these nine points – Full Civilian Nuclear Cooperation; Principle of Reciprocity; Permanent waiver – not temporary, not annual certification; recognition of India as a State possessing advanced nuclear technology; acceptance only of IAEA safeguards not any bilateral safeguards; Safeguarding the integrity and reliability of our strategic programme; rejection of any moratorium on production of fissile material. So, like a responsible sovereign entity, we have said that we will enter into negotiations. There, our position is very clear. It must be non-discriminatory, it must be verifiable and it must be equal. Nothing short of that is acceptable to us and we will not enter into this arrangement and safeguarding our legal right to carry out a nuclear test if that is deemed to be necessary in the national interest. That means, if you want at some point of time that a test is necessary, we will do it. But I reject the concept of Shri L.K. Advani and his Party that India should not carry on universal, non-discriminatory disarmament which is our ultimate goal and even in this session of the United Nations General Assembly, we have tabled a resolution backed by almost 27 countries and we will continue to do so.

The question was raised that why we entered into an arrangement among the UPA and Left Parties. This is not a Parliamentary Committee. This Committee is not appointed by the Prime Minister. This Committee is appointed by the Chairperson of the UPA. It does not consist only of the Members of Parliament. There are three non-parliamentarian members of

that Group. This is an informal group to work out the differences between our supporters and ourselves. So, what has the Parliament to do with it? In Parliament, when we are debating it on the floor of the House, when we are discussing it, I do not have any objection if they say: "We will like to support our party." We will, of course, have to take the approval of the Congress President. I cannot decide it. But they have never expressed their intention that they will like to support the UPA. Let them change their policy. Therefore, this is absolutely an unacceptable position.

So far as safeguard is concerned, we have assured you what is the outcome of it. The outcome of it is that we are going for the India-specific safeguard arrangements. Negotiation will take time. It is a technical negotiation. In that technical negotiation, we will continue and we will like to say three important points which our Left Front repeatedly argued in our Group. When we are insisting that we will like to ensure in the India-specific safeguard arrangements with the IAEA assurance of fuel supply, right of India to have clear strategic reserves to meet the situation in the case of uninterrupted fuel supply, if it is interrupted, if there is a breakdown to meet that situation, there should be a strategic reserve for the fuel and the recognition of our strategic programme by accepting the separation plan which this Parliament is aware of, which has been placed on the Table of this Parliament and which the United States Administration has accepted.

Now, I understand there is an issue about the Hyde Act. If you want to interpret everything with the Hyde Act, I cannot help it. Nobody can help it. The Hyde Act, as Shri Tarit Baran Topdar has correctly pointed out, is a legislation enabling the US Administration, the US President to have a waiver to enter into a civilian nuclear programme with India, which is a non-NPT country, which is a nuclear-weapon country not recognised but a nuclear weapon-country which is having strategic programmes. As per the 1954 Act, the USA cannot cooperate with that country. Therefore, in that Act, they require a waiver. That waiver has been provided by the Hyde Act. While providing the Hyde Act, one thing has been pointed out. Who is to interpret the Hyde Act? I have myself stated that there are many prescriptive and extraneous issues in the Hyde Act which are not binding on us. How can it be binding on us? As a law passed by the Indian Parliament is not binding the US Congressmen, similarly a law passed by the US Congressmen may be binding on the US Administration but not on India. The only binding agreement on India is the 123 Agreement. I will most respectfully submit to the hon. Members to show me one clause. Yes, I know that somebody will get up and say that the question of the national law is there. Yes, that is the standard practice of all

international agreements. It is equally true that in Clause 14, there are references to the Vienna Convention and references to the international laws in case of disputes. That was the mandate which we gave to the negotiators to enter into negotiation with their American interlocutors. We told them quite clearly, I myself at one point of time when I had to intervene, told: "Look, this is unacceptable." I told them that the nine points which the Prime Minister specifically referred on the floor of Parliament and gave his commitment are to be preserved in the text and there will be no reference to the Hyde Act. Most respectfully, Mr. Deputy-Speaker, sir, I can claim that we have done it. What did President Bush say? He is the Chief Executive of America? How is he interpreting the Hyde Act? Mr. Advani is depending on the interpretation of some Under Secretary – I would not mention his name – but I am quoting from the statement of the President of the United States of America, not the statement of any Under Secretary. I do not make any reflection on the Under Secretary or their officers. But the Chief Executive of the United States of America said:

"Today I have signed into law HR 5682, an Act containing Henry J. Hyde US-India Peaceful Atomic Energy Cooperation Act of 2006. The Act will strengthen the strategic relationship between the United States and India and deliver valuable benefits to both nations. Section 103 of the Act purports to establish US policy with respect to various international affairs matters. My approval of the Act does not constitute my adoption of the statement of policy as US foreign policy. Given the Constitution's commitment to the Presidency of the authority to conduct the nation's foreign affairs, the executive branch shall construe such policy statements as advices."

This is the comment of the President of the United States of America and my young friend Mr. Jyodiraditya Scindia very aptly explained it while participating in the debate.

So, my most respectful submission would be that we are accepting the obligations under Section 123 of the US Atomic Energy Act of 1954, not under the Hyde Act. The Hyde Act is an enabling provision. That is for the US Administration to deal with it and they have assured us that it would not stand in their way of implementing the commitment which they made in the Joint Statement of July, 2005 and in the Separation Plan of March, 2006. Therefore, Mr. Deputy-Speaker, Sir, I would like to, most respectfully, submit that let us look into the 123 Agreement.

I am not going into the larger aspects of foreign policy debate, but I would like to emphasize a couple of points. Much has been said about the voting in the International Atomic Energy Commission Board. I think we have explained about it several times here. There had been two occasions where we did it and we explained why we did it. It was because at that point of time we were given to understand that if we accept the amendment of the European countries, then the matter will be within the Board of IAEA and it will not be referred to the UN Security Council because if it is referred to the UN Security Council, then they will issue sanction as they have issued two sanctions on Iran. But in the last one in February, 2006, the position and the voting pattern which we had was that a large number of countries including the Non-Aligned countries like Russia and China and we were together. In my intervention in the conference of 45 countries of Europe and Russia, while stating India's position on Iran when I was asked to state our position, I made it quite clear that Iran is an old civilized country and a very proud nation. I do not feel that issuing sanction after sanction is going to resolve the problem. Iran will have to be engaged in the dialogue process and the most appropriate forum is IAEA. The latest voting which has taken place there – no voting, where it has been again decided — along with China, Russia, Malaysia and large number of other countries, non-aligned countries, we have decided that yes, diplomacy is to be given a chance. This is a complicated issue. It will take time.

Why should we be scared of any country? Yes, we have strategic relationship. What is wrong with it? Most respectfully I would like to submit that it is not alone USA, I have strategic relationship with Russia, with China, with Indonesia, with Japan, with Singapore, with France, with Germany, with European Union. I have strategic relationship with ten countries.

Md. Salim: All encompassing!

Shri Pranab Mukherjee: No, not all encompassing. It is depending on the nature of relationship which we want to have. There has been substantial improvement in the relationship with China.

During the visit of Chairperson of UPA, the type of warmth she felt at the top most premiership of People's Republic of China is envy of anybody, any world's statesman and that is the meeting of her after the election. She was the first person from outside to visit People's Republic of China. In a short span of last nine months, I had four interactions with the Chinese Foreign Minister and the Prime Minister's visit is to come very shortly.

I have no doubt that in between they are saying the discussions which we had with President Hu Jintao at Heiligendamm at the margin of G-8 and G-5 countries and with Premier Wen Jiabao in Singapore speaks of the best relationship between our two countries. It is not possible for me to disclose everything what transpired between Premier of China and our Prime Minister. But I am quite confident that so many people are saying so many things about their cooperation even in the area of civilian nuclear programme. I am quite confident that if we cross the hurdles which we are having we will be able to have that.

Questions have been raised why Prime Minister did not sign the agreement with Russia. We have explained it. He explained it when the occasion arose and the reason was very simple. We are waiting, because after all these arrangements are to be made and to be operationalised; and for operationalisation, we shall have to go with IAEA India-specific Agreement. We will have to arrange the NSG guidelines and when we are in this process, Memorandum of Understanding with Russia about four reactors and Kudankulam and as soon as the process is ready, we will be able to enter into that agreement. That is the reason I was saying that this is some sort of a passport. Once I have the international passport visiting all countries, I have the option to choose which country I will visit. It is not necessary that I may take passport in the name of visiting one country, but it is not necessary that I shall confine myself only to that. It will be open. Surely, we want interaction. Lot of violations etc. has been called. The initiator of the discussion, Rup Chand *babu*, said that it is only 15 per cent of the world energy requirement. It is correct. Today I have 1,28,000 megawatt power generation capacity; nuclear energy is only 3,900 megawatt. We are not talking of today; we have to talk of future.

Today our import of oil is 100 million tonnes. If we are importing these 100 million tonnes at the cost of \$ 100 per barrel, and if the entire thing was passed on to the consumer, one can easily understand what could have been the cost of energy. But simply because it is absorbed by somebody in the form of subsidy does not mean that the cost of the energy is getting less here. Coking coal also we are importing. It is not that we are just depending on them. The Prime Minister has emphasized that we want energy; we want access to the technology on thorium, the three-tier. Even in the text of the Agreement itself, you will find that our three-staged civil and nuclear programme, which was the dream child of Homi Bhabha, the architect of Indian nuclear programme, has not been diluted at all. If we have just thorium; I am told by some reports that I have received where I find on plutonium the

experts are telling that the nuclear power generation capacity can be raised from 10,000 megawatt to around 500 thousand megawatt exclusively using the contents from spent fuel discharged from PHWRs following the Plutonium 239, Uranium 238, fuel cycle in FBIs. Surely, it is not of today. It is of tomorrow. But we shall have to think of tomorrow.

Mr. Rajiv Gandhi thought in the mid-eighties of the revolution in Information Technology. Many of us did not believe in it. Today, India is on the top of Information Technology (IT). Many of us opposed computerization. Today, we are going for that.

Railway Minister: *(Shri Lalu Prasad Yadav): We too opposed it.*

Shri Pranab Mukherjee: *Now, you are helping...(interruption)*

Therefore, Mr. Deputy-Speaker, Sir, I would not like to take more of your time. I have covered some areas. Yes, there will be discussions; we are having discussions. As I mentioned, we have a mechanism with the Left, UPA. *Lalu ji*, *Sharad ji*, and *Baalu ji* are the Members there; I am also there. We are discussing among ourselves and we are trying to resolve it. The Leader of the Opposition has assured us, and it has been echoed by some of his followers, that if they have the mandate they will renegotiate it.

I will just conclude my observations by narrating one incident. It happened not in this House but it happened in the other House. I was a Member of that House at that point of time. It is being told today that sovereignty has been mortgaged. Mr. Deputy-Speaker, Sir, fortunately or unfortunately, whatever it may be, I am in the Government of several Congress Prime Ministers from the seventies. At least, I have been accused not less than three times of mortgaging India's sovereignty. Once I mortgaged India's 'sovereignty' when I entered into an extended funding facility with IMF by borrowing five billion SDRs. When we returned the last installment of 1.2 billion SDRs, I told in one of my speech: "Many of you told me, like self-styled Cassandra prophecy that I will come out of the IMF building on a stretcher. I have come out of the IMF building with my head on my shoulder and on my foot, and not on the stretcher."

Similarly, again when we signed the WTO Agreement, they said that 'sovereignty' had been mortgaged and it went to such an extent. I can understand that. The Left opposed then and the Left opposed now.

Now, as I mentioned, the Indian Patent Act, 1973 was to be amended as per the International Agreement of IPR. Twice that Bill was rejected in the

Rajya Sabha under the command of a great Member of the BJP who later on became the Minister in the NDA regime. ... (*Interruptions*) I will not take the name of the Member of the other House. But the funny part is this. After some time when the table was turned, when they were in the Government, twice India lost in the international dispute settlement mechanism of WTO. Then, the same Party came to us – I was sitting in the Opposition and Dr. Sahib was the Leader of the Opposition – and said: “If you support, we will like to amend the Indian Patent Act.” It was sometime in 2000. I talked to the Congress President. She said: “If you consider that the Bill is good and in the national interest, simply by accident of changing the seat need not necessarily change the policy.” So, with our support, the Bill was passed, and the only change was made. The Member-in-charge of the 1994 Bill was Pranab Mukherjee as the Commerce Minister and in 2000 the Member-in-charge was Shri Murasoli Maran, and except the year no further change was brought, which was rejected by them, and they had to plead to the Congress Party to support the Bill. Therefore, let us not be... (*Interruptions*)

The Minister of Parliamentary Affairs Minister of Information and Broadcasting: (Shri Priya Ranjan Dasmunsi): That is why they left the House without listening your speech. ... (*Interruptions*)

Shri Pranab Mukherjee: Therefore, let us not be carried by the emotions. Yes, let us calculate, let us debate, let us discuss and let us try to find out how the issues could be resolved.

Mr. Deputy-Speaker, Sir, as the hon. Prime Minister has assured the hon. Members umpteen number of times, I would like to submit most respectfully that the process is not yet complete. Whenever any major step in the process had been taken, we came to Parliament. After the Joint Statement, we came to Parliament. After the Separation Plan we came to Parliament. Again we came to Parliament. After the Hyde Act we came to Parliament. After agreeing the Agreed Text on freezing it, we have come to Parliament. Again we will come to Parliament.

With these words, I thank you, Sir, for giving me this opportunity.

Shri Rupchand Pal: Sir, I had made several important points but the hon. External Affairs Minister has not covered them in his elaborate reply. One is about the relationship between 123 Agreement and the Hyde Act. There are public comments by important USA administrative people about the relationship. I am not going into that. I want to know whether the 123

Agreement will override the Hyde Act or the Hyde Act will override the 123 Agreement while making a reference to the international practice and all these things.

I had asked whether the fast breeder reactors are also being put under safeguards. ... (*Interruptions*)

Shri Pranab Mukherjee: The answer is 'no'. ... (*Interruptions*)

Shri Rupchand Pal: Okay. Now, our Indian negotiator is in the process of negotiating about India's requirement, that is, India's specific safeguard. I would like to know whether the Government has anything in mind as to what may be the requirement because this is a grey area. In re-processing, there is a notional idea given and nothing concrete. I would like to know how India is going to be benefited.

We find that they are telling that these are the benefits, namely, jobs would be created, their ailing nuclear industry would be rejuvenated, they would have something of a new architecture in Asia and all these things. But what is the benefit that we are going to derive has not been clearly stated in the long reply of the hon. Minister.

Then, things in regard to selective transfer of technology, in regard to nuclear reactor, and in regard to dual use have not been cleared by the hon. Minister of External Affairs. Similarly, about the energy mix, whether the nuclear energy at any point of time is going to help us in a big way ignoring our coal sector, ignoring our hydel sector, ignoring our renewable energy sector!

Sir, I am really disappointed that the hon. Minister did not cover all these important points.

Shri Pranab Mukherjee: Most respectfully, I would like to submit that if the hon. Member was a little careful, I mentioned about what I require from the IAEA. I mentioned three specific areas. It is not for the first time that India is going to have a safeguard arrangement with the IAEA. Whenever we buy a reactor from outside, we have to make it with the IAEA. There is a standard format. But what is India specific? About the India specific, I referred to these three areas in details. They are assurance of the fuel supply, right to create the strategic fuel reserves, and recognition of the separation plan, in other words, recognition of the strategic programmes. We should expect to have them. For that, the negotiations are going on. These are highly technical details, which are being worked out by the experts. I am not an expert. I am a layman like you. Therefore, here, we

are normally guided by them. We are quite confident that they will protect our interests.

So far as the energy mix is concerned, I started my observations by saying that we are not looking at only today, we are also looking at tomorrow. Now, everybody is talking about the climate change. We cannot keep it under the carpet. About the cost of the technology, which the Prime Minister is meeting, and which will be again strongly advocated in the Bali Conference that as the developing countries cannot sacrifice their development, therefore, they will have to be compensated by giving adequate access to the clean energy technology at an affordable cost. The whole world, especially the advanced countries are looking at the markets of China and India. I think, they have made some calculations that 50 per cent of a few trillions dollar worth trade will be only between our two countries.

Therefore, these are the areas, where we are concentrating on, and the Planning Commission is working on it.

Shri Basu Deb Acharia: Sir, taking into account the views expressed by the majority of this House, I want a categorical assurance from the hon. Prime Minister that the Government will not proceed further. This should be treated as a sense of the House. I want this assurance from the hon. Prime Minister.

Shri Pranab Mukherjee: Most respectfully, I would like to submit that I started my observations by saying that the debate, which could not take place in the Monsoon Session is now taking place. It is just a small step towards the process. Unless the process is complete, where is the question of taking the sense of the House? Let the process be completed. I also assured that at the end of every stage, I will come to the Parliament and I will discuss with you.

Thank you.



115. Speech of Member of the Politbureau of the Communist Party of India (Marxist) Sitaram Yechury in the Rajya Sabha while participating in the Short Duration Discussion on Indo – US Nuclear Deal.

New Delhi, December 4, 2007.

Shri Sitaram Yechury(CPI-Marxist): But, Sir, I would only like to recapitulate very briefly that in the first debate that we have had here, the Prime Minister was kind enough to accept the nine assurances that we sought from him and, at that stage, I remember I had stated that we would be willing to accept those as the sense of the House. At that time, the Hyde Act was not passed by the U.S. Congress. Subsequently, when the Hyde Act was passed, we had another debate in December and in the conclusion of that debate the Prime Minister had categorically assured that (a) they would come back to the House before the 123 agreement was finalised or frozen, and (b) none of the assurances that were made would be violated and the Government would stand by all the assurances that had been given. But, unfortunately, Sir, the assurances the Prime Minister had given, at least on three counts, we think, have been violated in the 123 agreement text. I would come to that subsequently. But, since they have been violated, I would only urge upon the Government not to proceed on this deal not only because of our opposition or the opposition from the other sections of this House but also because it is in violation of the Prime Minister's own assurances to the House, which I hold as the most sacrosanct and I do not think that those can be violated. Therefore, we urge the Government not to proceed further on this deal because of this important reason.

Secondly, Sir, before I come to the content of why I am making this assertion that the Government should not proceed, I would also touch upon the fact that much has already been said and stated that our opposition to this deal stems from our ideological perception of being anti-American. I would like to set the record straight. Sir, it is not that we are anti-American. In fact, on the contrary, we are not anti-American people; but, I think, we are pro-American people because 61 per cent of the American people, in the latest opinion poll, have said that they do not endorse and they are not with the Bush Administration's or the present Government's policies in the U.S.A. So, we are with the American people and not with the Administration and we are anti-American imperialism and not anti-American or anti-American people.

Secondly, Sir, also, I would like to clarify that much is also made out that our opposition stems from an extra-territorial loyalty. I have gone on record in this House, it is there in the proceedings, that we take our decisions and our positions purely and entirely on the basis of what we perceive as India's national interest. And it is on that basis we are saying that this deal is not in the interest of India. I would come to the details of why I am saying so a little later. But, this is not on any so-called extra-territorial loyalty. We have stated very clearly that even if China were to endorse this deal, we would still continue to oppose this deal because we think this is not in India's interest and, therefore, I want to make this clear again before I come down to the actual details of why we are opposing this deal.

Having said this, I would like to discuss this deal, as I said, without repeating what we have said on the two earlier occasions in the context of the pretext for the deal, the context of the deal, the text of the deal and, of course, the sub-text of the deal which I will try and elaborate.

First, let us take up the pretext. What we have been told is that this deal is absolutely essential for India's energy security. If I may say so, on the last occasion, I had read out to this House the Planning Commission's assessment on our energy scenario and this was also read out subsequently by various other participants. So, I do not want to repeat that. But on the point about India's energy security, we have to bear in mind the followings. India's current power generation is 1.27 Giga Watts. At the current rate of the GDP, this needs to grow at 337 GW by 2016-17. There is no doubt that if this is not achieved, India's pace of development would be arrested. The moot question, however, is whether nuclear energy expansion is the only or the best option that we have today. In 2006, 3.9 GW of nuclear power was generated, that is, 3 per cent of our total power generation. In the most optimistic scenario, the Planning Commission estimates that this could go at best to 20 GW by 2016, over just over 6 per cent of our production at that point of time. So, all this is happening for that 6 per cent and for this 6 per cent are we and should we today sacrifice and mortgage our, what we believe, sovereignty, and in that sense be vulnerable to pressures from US imperialism. Further, Sir, given the abundance of coal reserves in India, the Planning Commission estimates that thermal energy would dominate power generation in India, and as far as hydro electricity is concerned, given the potential of nearly 150 GW, we have today only installed capacity of 33 GW. A huge untapped potential exists in hydro electricity. Now we have discovered large quantities of gas in the country and that option is also available apart from solar and wind options. So, has there been cost

benefit analysis done by any agency of the Government how and why we are preferring this nuclear option? Why I am saying this, Sir, is also the cost of it. It is often said that this 123 does not relate to the *aam aadmi* or it does not relate actually to the future of India, of the Indian people. Just consider the following. The estimates have told us or show us that the nuclear power being used for energy production is most expensive of all options. The Prime Minister himself has publicly said that we are targeting, say, 40,000 MW to be produced by nuclear energy by 2020 and 2025. Out of this 40,000 let us presume 10,000 MW would come from our own domestic reactors, that leaves 30,000 that to be generated from nuclear energy and if this 30,000 MW is generated through imported nuclear reactors, the cost estimation for every MW will be 11 crores of rupees, that is, for this 30,000 we will be spending 3,30,000 crores of rupees. The same 30,000 MW if we produce through thermal it will be 4 crores per MW and the same if we produce through hydro electricity or through gas, it will be 3 crores per MW. So, the cost differential is something to the tune of two lakh crores plus. Now if this two lakh crores plus was used in the field of education, we can build new 2.5 Navodaya Vidyalayas in our country. Sir, 100 students can be on scholarship educated up to Class XII, that is, the option, the cost differential can educate 2.5 crore Indian boys and girls and give them quality education which we are forgoing because of using this most costly option. Out of the same amount of money, if you spend on health, you can create 20,000, hundred-bed hospitals, quality hospitals in this country and meet the health needs of our population. The question is why are we going into this expensive option at the expense of keeping our children illiterate, at the expense of not treating those people who require health attention? At that expense, why are we going in for such an expensive option? This is something for which there is no clear answer so far. The other pretext that is given, Sir, so, I think in terms of cost benefit analysis this is the most expensive option we have and as a result not only the most expensive option we are denying the *aam aadmi* whatever we could have given to him because whenever we say some issues of people's welfare must be taken, there is always this argument that there is a resource constraint. If there is a resource constraint, why are we using our scarce resources to satisfy, let us say, the orders to multinational corporations in a country, which has not installed a new nuclear power reactor in the last two decades? The USA does not install them but it wants to sell their nuclear reactors to us. So, we end up buying their nuclear reactors and generating profit for them while, in our own country we deprive our own children from going and getting quality education or our own elderly senior citizens from getting

quality health. Now, this is something not permissible if we want a real modern prosperous India. So, from that point of view, I think, this is a very big folly that we will be entering into, and, I think, there must be a re-think done by the Government on this scope. The other pretext also, Sir they say, is that if we enter the deal, then, we will be breaking the nuclear apartheid that is there on India or that we will be sitting on the nuclear high table of the world. I will come to that later, Sir, because all these are illusions. This is an illusory claim. If you go through the text and sub-text of the 123, then, you will see that this is an illusory trend. Therefore, the pretext for going into this deal, in my opinion, is very faulty and in fact, it is something that cannot substantiate the need for us to enter into such a deal.

If that is the case, Sir, then what is the context in which we have to see this deal? The deal, Sir, is not only to be seen in terms of the nuclear commerce or the nuclear benefit that is generally being propagated. We have the Under Secretary of State of the United States of America who has gone on record to state that there are at least four related benefits to this agreement as well. The first concerns non-proliferation. I am quoting, Sir, "For 30 years, India has been on the outside of that system, of non-proliferation. With this agreement, India will open up its system to international inspection and it puts the majority of its civilian reactors under IAEA safeguards. This deal now brings India back into the non-proliferation mainstream in a way it was not before." If this is the US claim, Sir, and this is what they want to bring us into, the non-proliferation regime through the backdoor, then, all the principle positions which we have supported that the Government of India has taken all along, which we have supported, that we will not sign the NPT because it is a discriminatory treaty, all that, falls flat. So, we think that there is a larger design that is involved in this deal. The next benefit that he talks about is on the position of, and I quote, "The agreement also sends an important message to nuclear outlaw regimes such as Iran and that is the fact that we have already mentioned a number of times and the Hyde Act refers to Iran and our foreign policy positions which have to be incongruent with what the US position will be." The third related benefit he talks about is the fact of military cooperation and of military sales. As much as they are interested in 123, Sir, in no unambiguous terms he talks of great military commerce with India and their target is 126 and not 123. And 126 is the combat aircraft, the military aircraft, that we are going to buy and they are hoping through this deal that they will cement India into a closer military cooperation. This, again, being the case, Sir, what we are now entering into, in my opinion, is a deal which actually takes India closer to the US positions on global issues as well as on regional strategic

concerns; and what is being done is to drag India into or suck India into the vortex of being a subordinate ally of United States of America; and it is this subordinate ally status which we think is not in India's interest at the present moment. Why it is so, I will come to later. But the fact remains that this is something on which we cannot afford to do now. I will, Sir, if time permits, also say certain very derogatory things that have been said about us and about our former Prime Ministers by the US Under Secretary of State. I am quoting, Sir. "The benefits of these historic agreements are very real for the United States. For the first time in three decades, India will submit its entire nuclear programme for international inspections etc." Secondly, he says that, "If India were to conduct a nuclear test, the United States would have the right under US laws to seek the return of all nuclear fuel and technology."

"...shipped by US firms." That apart, the important point on our foreign policy issue is, "This Agreement will also send a powerful message to nuclear outlays like Iran. If you play by the rules as India has, you will be rewarded..." — Please underline the word 'rewarded' — "...If you do not, you will face sanctions and isolation." So, this is the clear message that the US's Official Spokesman is saying that India is being rewarded for being, as they said, 'playing by the rules.' And, who define the rules — the United States of America. You play by their rules, you will be rewarded. If you do not play by their rules, you will not be rewarded like Iran. That is why we have these apprehensions. In the present context, if you look at the pressures that are put on India, unfortunately, we think that these pressures are already at work. When the Hyde Act talks of Indian Foreign Policy being congruent with that of the United States of America, where it refers to, on three occasions on Iran, they expect India to toe that line. We have seen in the past on our votes in the IAEA. I am not going into that. We had discussed that earlier. But, now, what do we see? The trilateral meeting between Iran, Pakistan and India on the Iranian Gas Pipeline which we say is very necessary for us, for our energy augmentation, the same argument that is given for nuclear deal, the same argument for energy augmentation and it is a cheaper option, but, then, you have not attended that meeting. You had not gone there. Why? The answer needs to be given. Is it under the US pressure? The UN has imposed some sanctions on Iran. But, the US has extended and gone ahead and imposed certain unilateral sanctions on Iran beyond the UN sanctions. We have not obliged to accept the US sanctions. But, yet, last week, your SBI denies the lines of credit to Iranian firms which want to import goods from India to Iran and you are not even permitting these exports to take place, because you have

not permitted them. Why? Again, under the US pressure! There is an Indian corporate house which has a multibillion dollar joint venture to be set up in Iran and they have now withdrawn from that. Why? It is under American pressure. If they do that, then their joint venture in the USA will suffer. So, all these are clear indications that we are already succumbing to these pressures when we need not succumb to the US pressures at all or US sanctions on Iran. But, we are doing this. And, this is sending a very, very serious ominous signal to what will be the future of our country's foreign policy. In this context, I would also like to bring about that there is a domestic context, since I am talking of the context, also which we cannot, today, ignore. All of us are being told that this nuclear deal that has happened is not certain flash in the pan, but is a part of overall growing relationship between India and the United States of America. Yes, Sir. We also recognise, after all, I agree with that point, and we also recognise the architecture for the present strategic alliance was laid under the NDA rule for the past six years. Though military cooperation with the USA began under the Narasimha Rao Government, but it was only after 1998 that a lot of this architecture of a strategic alliance with the USA had actually started. I was listening, with a great respect, to the intervention of the hon. the Leader of the Opposition this morning when we had expected the hon. Ministers who travelled abroad to come and explain to the House what happened in those visits. But, Sir, we have had these rounds of discussions personally with Mr. Strobe Talbot which we were informed by that gentleman and nobody else here. But, anyway, that is a different story. I am not going into that. But, what I am really concerned is that we were the first ones to have up in 2000 welcome the US National Defence Programme. In fact, the former Prime Minister articulates that India would be treated as US's natural ally. And, after the 9/11, we had written and offered our cooperation in the US war against terrorism or global war against terrorism and, to the extent, when the USA choose Pakistan, instead of India, the then Dy. Prime Minister, which is on record, says that, in fact, demon, 'This is the logic of geography and it was the logic that the USA chooses Pakistan, not India.' But, in any case, the entire process, which is important to note. Why? I will just come to that. In 2002, Bush Administration adopted a national security strategy.

This stated, "The US has undertaken transformation inputs, the US has undertaken transformation in its bilateral relationship with India, based on a conviction that US' interests require a strong relationship with India." Then, followed the next round of talks with them, which extended cooperation in space, nuclear, high technology and missile defence fields. So, this

background, we understand, Sir, which is the architecture because of which the deal has come. Our point of view is the following. We have extended support to the UPA Government precisely because, in our understanding, we wanted to keep, what we define as communal forces, away from power. But this support was based on a Common Minimum Programme. In that Common Minimum Programme, we have defined what will be our Foreign Policy direction; where it stated clearly that India will pursue an independent Foreign Policy, while strengthening relations with all countries, including the USA. There was no mention of any nuclear agreement in that. There was no mention of any strategic alliance in the Common Minimum Programme. Therefore, our support is based on the Common Minimum Programme. Our support to the UPA is based on the fact that we do not want the communal force to be in power. But we cannot allow the UPA Government to proceed to complete the agenda that was begun by the NDA Government, and that runs completely contrary to the basis of our support. Therefore, our appeal is that do not get into this situation, on an issue that is not there in the agreed Common Minimum Programme. And, if is not there in the Common Minimum Programme, we say that we are opposing this precisely also on that count that do not enlarge the agenda which has not been agreed upon. Therefore, do not take India to a course where we will end up being a subordinate ally of the United States of America.

Now, Sir, come to the text of the Agreement. In the text of the Agreement, this 123 Agreement is very clearly anchored within the Hyde Act. And, this is not I am saying so; this is the US Secretary of State who says it very clearly, I quote, "We have to make sure that everything in this US-India Civil Nuclear Agreement, the 123 Agreement, was completely in consistent with the Hyde Act and well within the bounds of Hyde Act itself." This is their own statement. I had discussed the Hyde Act and its implications in the last debate. We had discussed about how various extraneous issues, by which the USA is imposing conditions on us. We have also discussed the fact that the US President has, on many occasions, stated that many things stated in the Hyde Act were not mandatory on him to follow. But, then, remember every US President has a right to decide on this. If, once this President goes and the other President comes in and says, "Yes, I abide by what is being said in the Hyde Act", all those provisions can be invoked against India. Let us not be under any illusion that the present President is a great friend of India; therefore, being a great friend of India he has said that these are not applicable, or he is not mandated to actually some of these provisions, which would be an illusion. But, then, in a lighter vein and with due respect, please remember all those who had

considered George Bush as a good friend — the Prime Minister of Britain, the Prime Minister of Australia, the Prime Minister of Japan, the Government in Italy — many of them have met a fate that we don't want our Prime Minister, or, this Government to meet. We are supporting this Government; we want to support this Government. But, I do not want this fate to befall this Government. Therefore, I ask this Government to seriously reconsider this deal and not proceed ahead. (Interruptions)

DR. Murli Manohar Joshi: If they proceed ahead, what will you do? (Interruptions)

Shri N. Jothil: What will you do, if they proceed ahead? (Interruptions)

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Shri Sitaram Yechury: Mr. Deputy Chairman, Sir, I entirely understand the eagerness of Dr. Murli Manohar Joshi and Mr. Jothi, who think riding on our shoulders, they will get an opportunity to come and sit here. (Interruptions) We will not permit that ever. ..(Interruptions).. You please understand; that it will not be permitted ever. ..(Interruptions)..

DR. Murli Manohar Joshi: That means, supporting this Government is more important for you than to oppose this deal. This is clear.

Shri Sitaram Yechury: Sir, my agenda is ..(Interruptions).. Mr. Deputy Chairman, Sir, the agenda of my party; the CPI (M) ..(Interruptions).. For me and my party this agenda that is most important is that this nuclear deal should not be implemented. My agenda is not on the Government, whether it should stay or not. I want the Government to stay. I want this nuclear deal not to happen and that is the stated position of our party. ..(Interruptions).....

.....(Interruptions).. I am sorry to say, but, it is up to you. Sir, since you have reminded me of the time, I only want to say why this 123 Agreement is rooted in the Hyde Act. Article 2.1 of the 123 Agreement states, "Each party shall implement this Agreement in accordance with its respective applicable treaties, national laws, regulations, and licence requirements concerning the use of nuclear energy for peaceful purposes."

Now the question is, the respective national law for the United States America is the Hyde Act. Now, you cannot, therefore, be under the illusion that once the 123 Agreement has come, the 123 has superseded the Hyde Act. The U.S. itself is very clear saying that 123 Agreement is within the

Hyde Act, and it is anchored in the Hyde Act. Having done so, it would be a very, very dangerous illusion to think that these provisions of the Hyde Act are not applicable to us.

But, having said that, Sir, in the 123 Agreement itself there are three assurances which the hon. Prime Minister gave to this House, which I accepted, and we all accepted, but, which, I do not think, are met.

The first one concerns the uninterrupted fuel supplies. Yes, the 123 Agreement talks of uninterrupted fuel supplies till the life of the reactors. But, once the 123 Agreement is terminated, which can be done under the Hyde Act by any U.S. President who may come in the future, once that is done, the Hyde Act is very clear, it says that the moment 123 Agreement is terminated, supplies will stop. Not only will supplies stop, but the United States of America will work with all its allies to ensure nobody else supplies to us. And, that is also written in black and white. So, why are we going to an agreement where we buy those reactors at a cost, which I already explained? We have them with us, but we don't get the fuel. They threaten to take back those reactors also; bodily lift them and take them back. How is it that we are entering into an agreement where it violates the Prime Minister's own assurance that we will have uninterrupted fuel supplies.

The second assurance that the Prime Minister gave is that we will have full nuclear civilian cooperation. It is very clearly given in section 5 of the 123 Agreement that certain dual use technologies are barred from being transferred to India; whether it is on reprocessing, enrichment or heavy water. Okay, heavy water, we say that we are ourselves capable. We have enough of it here. We are, in fact, exporting heavy water. But, in any case, why should we be under any restrictive clauses saying that they will not be transferred to us unless this agreement is further amended? And the full nuclear cooperation clause, which the hon. Prime Minister assured us here, even that is not going to be fulfilled according to this text.

The third assurance is this. The hon. Prime Minister said that everything should be done on the basis of reciprocity. This is the word used by the hon. Prime Minister. You are going to the IAEA for talks now. You are going in to talks for saying that you will put your nuclear reactors under safeguards in perpetuity. But, we have just seen, the 123 Agreement can be terminated upon the will and whim of the U.S. President. If that is the case, if that can be terminated, why should India be subjected to a perpetual safeguards by the International Atomic Energy? If that is terminated, then, this also ought to be terminated. That reciprocity must be valued, and

must be upheld, and, therefore, even this is violated. So, on the question of uninterrupted fuel supplies, on the question of full civilian nuclear cooperation, and on the question of reciprocity, on these three counts; the three assurances that the hon. Prime Minister has given, this deal does not allow India to even uphold what the hon. Prime Minister stated in this House, when he gave the assurances to the nation. Therefore, Sir, this is as far as the text is concerned. Sir, you have seen the pre-text, you have seen the context, and you have seen the text. On all these three, this deal does not stand. One of the most important issues is: does it benefit our country or not? Sir, I just want to take two minutes if you permit me.....

The question, normally, being asked is: Why did we 'allow' the Government? I don't like to use this word; it is not that the Government should be allowed or disallowed. But, why is it that we agreed, let us say, to the Government proceeding to the IAEA when we first said that it should not be operationalised, that is, 'do not proceed to IAEA.' It is a very simple point which I want to answer, because a lot of people have expressed their surprise. Earlier, Sir, going to the IAEA for safeguard discussion and an agreement with the IAEA meant that post-IAEA, the Nuclear Deal was on an autopilot. After that it would go to the NSG where we are not members. Then it would go to the US Congress, and it will return to us only after everything was completed, for the final approval of the Cabinet. That is why, we said, "Do not proceed to the IAEA; otherwise, after that, there is no way we can control it.' Now, we are happy and we gracefully accept the fact that the Government has agreed that they will go to the IAEA, they will negotiate and see if these three assurances that the Prime Minister has given, which, today, are blatantly violated, can be extracted and without even putting their initials on anything, they will come back to the country, and, then, on the basis of that, further steps will be taken. So, that is the change that has happened, where the Government has now agreed that it will come back before even putting the initials, and, therefore, we agreed and cooperated saying, 'Yes, please proceed ahead'. But the point at issue is, Sir, we still continue to remain firm; we would want this deal not to go through, in the interests of India, for the various reasons that I have elaborated earlier.

There is also another important reason, Sir, the last one, which I would like to touch upon, that is, the question of our indigenous nuclear science development. All of us know, Sir, India is a country, which has one of the known largest deposits of thorium. All of us know that our scientists are battling against all odds and served the country so brilliantly in the past, are continuing to do their research in, actually, moving towards using thorium as

a fuel for our nuclear energy. Now, we want to reach the stage of using thorium for nuclear energy purposes. Now, all of us know, particularly, those who have done science, that in the transition, from using uranium towards using thorium, there is another intermediate stage that comes where plutonium is also used to a certain extent. Now, when you have a Uranium- Plutonium cycle, which will lead up to thorium cycle, the moment plutonium comes into the picture, plutonium as an input also goes into nuclear weapons. There are international safeguards you have submitted yourselves to; the moment you reach the stage of plutonium, anybody can raise his finger and say, 'Plutonium is coming, you are transferring this to use for your nuclear weapons; and, therefore, the safeguards will apply.' You subject yourselves to international inspections, including the US inspections. I suspect and we firmly believe that there is an international effort to try and ensure that India does not reach that stage where we can use thorium as nuclear fuel. If we reach that stage of using thorium as nuclear fuel, then, no country in the world can bulldoze or browbeat us; we are completely independent. So, it is in our interest to reach that stage, and, therefore, it is in our interest not to accept any conditions, not to accept any conditions which will not allow us to reach that stage. Therefore, we are not against nuclear energy, we are not against nuclear power. Two generations down the line, our coal will be exhausted, your bio-fuels will be exhausted, nuclear energy may be the only option, and, maybe, the only clean option. But, the point at issue is, nuclear energy now, at what cost? At what cost economically, what cost to our country's sovereignty, what cost of other pressures that we are going to expose ourselves to, the sort of vulnerability that we are going to expose ourselves to. We all are seeing what are the activities that the US imperialism is conducting in the world today. I don't want to repeat it; we have done that in the past. All of us, today, have also seen how the hegemonic tendency of the US imperialism is expressing itself in browbeating all other countries into submission into following them. And, what are they attempting to? Sir. To put it in a nutshell, the world, after the bi-polarity of the cold war period, is moving towards multi-polarity in international relations.

It is this movement towards multi-polarity that is being subverted and sabotaged by US imperialism, which wants to convert this world into a unipolar world under its tutelage. India cannot be party to this effort. India cannot be party to an effort where unipolarity is going to be imposed under the US imperialism's hegemony. That is why, I would like to urge upon the Government to seriously reconsider the path that they are following. Hold talks with the IAEA, come back and let us reconsider this. The hon. Prime Minister has himself stated in this House in the past that before they take any

further step, they would come back to the Parliament. This is a very healthy trend and we hope that that tradition will be maintained. Though it didn't happen before the 123 Agreement was initialised, nevertheless, subsequently, Government agreed to continue with this discussion. I hope that will be done and they would not take any hasty measures to rush into this deed.

Sir, my respected colleague, Jayaji, has passed on a note to me. I would like to end with this quote of Woodrow Wilson. It says, "I would rather lose a cause that will some day win than win a cause that will some day lose". And this is a cause that will lose, Sir. We cannot allow this agreement to go through, primarily, in the interests of our country, the future of our country, the future of our younger generation. Fifty-four per cent of India is below the age of 25 years. Give them education; don't spend money on profits for multi-national corporations. Give them health; don't spend money on profits for multi-national corporations. Produce the same electricity using your coal, your water, your gas, your heat and sun and your winds, and then, generate the jobs in India for all of us. And it is on the shoulders of this 54 per cent youth under the age of 25 that a new India will be built. It is for that new India that you must build your youngsters today. Invest in your youth; do not invest on profits for multi-national corporations.

With that appeal, Sir, I would once again urge upon this Government to give a serious rethink to this entire deal and to stop it now, before it is too late and we become victims of blandishment, which our country cannot and will not ever want to be.

Finally, Sir, ...(Interruptions)...I wanted to quote something to you. There was a very unsavoury comment by the US Under Secretary of State saying that so long as Mr. Nehru was the Prime Minister and India's autocratic Nehruvian policy of Non-alignment was there, this great vision of an Indo-US strategic alliance could not have ever unfolded. Now that Nehru is not there, now that Non-alignment is not there, now that all that is not there, is the Congress Party giving up its own legacies? It is the US Under Secretary of State saying this. I do not want to give up their legacy, Sir, because I think that was a joint inherited legacy of our nation in terms of foreign policy. We have all held a consensual opinion on our foreign policy and, therefore, let us together build a resurgent India by investing in our youth. This is our appeal, Sir, and we want, therefore, through you, the Government to reconsider this and not proceed on this deal any further.



116. Speech of Bharatiya Janata Party leader Yashwant Sinha in the Rajya Sabha while participating in the debate on the India-US Civil Nuclear Energy Cooperation Agreement.

New Delhi, December 4, 2007.

Thank you, Deputy Chairman Sir. I am grateful to you that you have at least given the Bhartiya Janta Party the right to speak second' in this debate.

Deputy Chairman Sir, in the recent years I don't think any government's work or any government's proposal in the recent years has become as controversial as this India-America Nuclear Deal has become. Of course I cannot claim that I am as intelligent as the Prime Minister and I cannot even claim that whatever I am today is because of my studies in an international university. I don't make such claims but if somebody raises questions on my patriotism, then I will definitely fight strongly.

Deputy Chairman Sir, I regret to say that this whole matter which is there before us has involved not only political parties, ministers of the government of India but even the government officials have started getting involved in this dispute. Our Privileges Committee has let our Ambassador in the US off with just a warning. But not only are these type of comments on members objectionable but a comment on me personally that I speak without reading is completely objectionable and you may yourself think about it.

Deputy Chairman Sir, as far as the Bharatiya Janata Party is concerned, it has been discussed that our stand is changing, we have made a U-turn and it has been publicised knowingly. Not only us, but this has been publicised about our Left Party friends and along with them several other people as well. The Samajwadi Party leaders are sitting here, it has been publicised about them as well. And some other people as well about whom it has been publicised that they have changed their stand and their opposition has weakened. There is a conspiracy or a plot behind it. I wish to emphasise with full confidence that the stand of the Bharatiya Janata Party has not changed. Its stand today is the same as it was in the beginning.

I wish to remind this House that the first discussion on this Deal was held on 4th August 2005 in this house and our Party's Deputy leader, Smt Sushma

1. Shri Sinha spoke immediately after the CPI (M) leader Sitaram Yeuchery, who spoke first.

Swaraj while participating in this debate had told the Prime Minister that this Indo-US Nuclear Deal is a frightful mistake. We are of the same opinion today as well that it is a frightful mistake and the sooner that the government withdraws itself from this deal, it will be in the nation's interest.

What are our worries? Most importantly, we have three worries. The first worry is about our nuclear deterrent, our programme on nuclear weapons. The second worry is about the independence of our foreign policies and the third worry is about the independence of our nuclear policy.

When we talk about nuclear weapons, the whole house and the whole country understands that it is not just a question of numbers as to how many bombs one has but it is also a question of its quality and it is also a question of the Technical Excellence of Quality. I would like to clarify here that as far as our program on nuclear weapons is concerned, which we had courageously acknowledged and announced to the whole world in May 1998 about our country being a nuclear weapon state, this program is of no interest to either the Left Parties or to the Prime Minister. Because in May 1998 when it was debated, the Prime Minister and the Left Parties had opposed it.

Deputy chairman sir, it is not a coincidence that today on 4th December we people are discussing this issue because on 4th December, 1964 in Patna, the erstwhile Jan Sangh had its session and in that session, the proposal that was passed, it was said,

"Hence the working committee finds it necessary that all efforts should be made for making the nuclear bomb. It requests the Indian government to make the necessary changes in its policy."

Today on 4th December, 2007 we are assembled to discuss this issue. Our concern on the nuclear weapons program is that if a restriction on our future testing, that we cannot do any nuclear testing in the future, what will happen to the quality of our weapons?

I would like to ask the government this question. I know that whenever this question has been asked, the Prime Minister has again and again stood up and assured this House and the country that the 123 Nuclear Deal has no restrictions on testing and that we are free to test. It is not in the 123. Just now our friend Shri Sitaram Yechury was saying..... (Interruption).....he said that "the Hyde Act may route it." And we all know the provisions of the Hyde Act. The Prime Minister says that we are free to test. Deputy chairman sir, we are free to jump from the Qutub Minar. We only have to undergo the

consequences or the results of such testing. We all know that if we jump from the Qutub Minar, what will be the result. In the same way America has made it clear what will be the result if we test in the future. And that is why we are worried because technology does not remain static. The speed of technology never stops. Just like other countries are looking for going forward in their nuclear weapons or the technology associated with it, India will also have to do the same. And why do we have to do this? Because our nuclear doctrine which has been accepted even by this government, the main point of this nuclear doctrine is, which flows from this or which comes from this is “credible minimum deterrent”. Now what do we do with a government which does not understand the difference between “credible minimum deterrent” and “minimum credible deterrent”. On 7th March 2006, the Prime Minister had made this statement, suo moto statement, in which the words used by him were “minimum credible deterrent”. Speaking on this, even our friend SHRI ANAND SHARMA who is a Minister of State, last year in August in a debate on this issue, he had also talked about “minimum credible deterrent”. We had even interrupted him saying that it was “credible minimum deterrent” and not “minimum credible deterrent”. But if our approach is minimalist, credibility is not the important thing, important thing is ‘minimum’, then there will be a difference in our approach and your approach. Deputy chairman sir, I was saying that we are concerned regarding this.... (Interruption)...

The Minister of State in the Ministry of External Affairs (Shri Anand Sharma): Sir, he has taken my name. Last year, on 17th of August... (Interruptions). I am not intervening in the debate. Since Shri Yashwant Sinha has named me, I am very much within my right to respond. We have not said so. He is trying to give an impression that this Government has diluted; this Government has compromised when it comes to the ‘deterrent’. That is not the truth. In that debate, in fact, what their Government had done was fully exposed, including the commitment that they had made to sign the CTBT, which his Prime Minister, Shri Atal Behari Vajpayee...(Interruptions).

Shri Yashwant Sinha: *No, if he is giving a lecture, let him give.... (Interruption)....I have no objection...(Interruption)*

Shri Anand Sharma – So do not put words in my mouth. We have not said so.

Shri Yashwant Sinha – Sir, Anand Sharma is not defending. He is levelling.... (Interruptions).....against us.

Shri Anand Sharma – No, I am not. You have named us.

Shri Yashwant Sinha: *Deputy chairman Sir, that is why we have some concerns regarding the nuclear weapons programmes. We are concerned, like Mr. Sitaram Yechury was just telling us, the intentions of the American administration, according to that if we get entangled or stuck in this Bill, then apart from other restrictions we will also be prohibited from testing in the future. And what is the new argument being given here? Our friend Mr. Kapil Sibal is sitting here. I have seen in the newspapers, in the TV channels, the argument of the government's ministers that what do we have to do with the Hyde Act.*

The Hyde Act has nothing to do with us, we are only concerned with the 123 Agreement. Deputy chairman sir, I wish to draw your attention to what the Prime Minister had said in this House on 17th August, 2006. He said and I am quoting "we have concerns over both the House and the Senate versions of the Bill." When we expressed our concerns on the version in front of the American Senate and the provisions in it which should not be acceptable to us, the Prime Minister agreed with us and said "we have concerns over both the House and the Senate versions of the Bill". And after that he said, "The draft Senate Bill requires the US president to make an annual report to the Congress that includes certification that India is in full compliance of its non-proliferation and other commitments. We have made it clear to the US our opposition to these provisions even if they are projected as non-binding, even if they are projected as non-binding, on India as being contrary to the letter and spirit of the July statement. We have told the US administration that the effect of such certification will be to diminish a permanent waiver authority into an annual one. We have also indicated that this would introduce an element of uncertainty regarding future cooperation and is, therefore, not acceptable to us." This is what the Prime Minister said.

Sir, today I would like to request you, forget the annual certification, forget that once a year the US Congress and the congressional committees have to report. It has been written in the Hyde Act that "the two Committees will be kept fully and currently informed which creates an obligation upon the executive branch to inform the appropriate Committees whenever significant information becomes available rather than waiting to include it in a regularly scheduled report". Every time something happens, the US congress has to be informed. The Prime Minister said, and I quote, We oppose any legislative provisions that mandate the scrutiny of either our nuclear weapons programme or our un-safeguarded nuclear facilities." Again I quote from

the Prime Minister's speech, "If in their final form, the US legislation or the adapted NSG guideline impose extraneous condition on India, you have my assurance that the government will draw the necessary conclusions, consistent with the commitments that I have made to Parliament."

After that he said, and, I quote, " we cannot accept restrictions on India's foreign policy to be imposed such as on Iran irrespective of whether it is in the policy section or in the sense of the house section of the legislation. The Prime Minister had said this in this same house on 17th August last year. Again I am quoting, "Any prescriptive suggestions in this regard are not acceptable to us."

I again quote, "If the US Congress, in its wisdom, passes the Bill in its present form, the product would become unacceptable to India." I am again quoting, "it is clear that if the final product is in its current form, India will have grave difficulties in accepting the Bills." This the Prime Minister said. And Deputy Chairman Sir, this is known by the whole House that the Draft Bills that were there in front of the House International Relations Committee and the Senate Foreign Relations Committee, which became the final "Hyde Act" was much much worse. "Mr. Hyde" passed away, God bless his soul, but what he did was to combine the worst provisions of both the Bills and the "Hyde Act" came into being. Deputy Chairman Sir, I have this paper, Joint Explanatory Statement of the Committee of Conference. The Committee of both the Houses have written what happened in its Congress and they have then explained each and every clause of the entire Hyde Act. I would like to tell you and through you to this entire house the Joint Explanatory Statement of the Committee of Conference has this to say. " The Administration's proposed legislation would have given the President the authority to permanently waive these provisions for India, subject to the President's determination that India had achieved certain benchmarks."

"In effect, the Administration's proposal would have given it excessive latitude in negotiating a Nuclear Cooperation Agreement with India, leaving Congress with little ability to influence the terms of that Agreement regardless of any concerns it might have. Both, the House International Relations committee and the Senate Foreign Relations Committee rejected this approach. **And after that what are they saying?** There is a Section 129 of the Atomic Energy Act, 1954. *They said, "The Administration's Bill would have made Section 129 inapplicable to such future actions on the part of India like testing, like violating IAEA safeguards, etc. The Congress has ensured that section 129 leading to termination of Cooperation would*

continue to apply". And, I am quoting it further. "As further clarified in the section-by-section analysis included in this Report, the Conference believe that there should be no ambiguity regarding the legal and policy consequences of any future Indian test of a nuclear explosive devise. In that event, the President must terminate all export and re-export of US origin nuclear material, nuclear equipment and sensitive nuclear technology to India. The conferees expect the President to make full and immediate use of US rights to demand return of all nuclear-related items". And, this is incorporated in Article 14 (2) of the 123 Agreement which says "The party seeking termination" — and this is very important, Sir — "The party seeking termination has the right to cease further cooperation under this Agreement if it determines that a mutually acceptable resolution on outstanding issues has not been possible or cannot be achieved through consultations".

And that is why what our friend Shri Sitaram Yechury was saying that when American officials say that they have followed all the provisions of the Hyde Act, they are absolutely right. They have not violated even one provision of the Hyde Act in the 123 agreement. There are a lot of things being said in this regard as well. and that is why I find I necessary to quote from the Joint Explanatory statement and I am quoting, "The US must ensure that any decision that the NSG makes regarding granting an exemption for nuclear commerce does not disadvantage US industry by setting less strict conditions for countries trading with India than those embodied in the conditions and requirements of this Act."

A lot of our friends sitting on that side are saying it is a good thing, we will have this agreement with America and then we will leave them alone, we will not buy anything from them, we will buy everything from France, from Russia, and from other countries and America will be left gaping and it will be a windfall for us. there is no bigger stupidity, I am sorry for using that word, than this. In the Joint Explanatory Memorandum, it is not the government that will go before the NSG, it is the American government as don't have any standing in the NSG. America has promised that it will present our case in front of the NSG. And do you think that with the direction that the Congress has given, that will be ignored and we will be given a better chance at the NSG than what we have got in the Hyde Act.

This is incorporated in Article 12(2)(a) of the Hyde Act which says and I quote, " No country party to this shall secure unfair commercial or industrial advantages or restrict trade to the disadvantage of persons and undertakings of either Party or hamper their commercial or industrial interests, whether

international or domestic, fully protected in the 123 Agreement” ***which their Congress said.***

And again they are saying and again I am quoting, “ Equally important is the need to ensure that the U.S. Cooperation does not assist the Indian nuclear weapons programme directly or indirectly.” Again I am quoting, “Indian officials have publicly stated that under the US-India Agreement, India will be able to produce as much fissile material for weapons purposes as it desires. At the same time, however, many experts have said that there is no reason why India would need or want to increase that production significantly. The conferees hope that India will demonstrate restraint and not increase significantly its production of fissile material.” And this is very important and I would like the House to take note of this. I am quoting from the Joint Memorandum, “If civil nuclear commerce were to be seen, some years from now as having in fact contributed to India’s nuclear weapons programme, there could be severe consequences for nuclear cooperation, for U.S.-Indian relations, and for the world-wide nuclear non-proliferation regime.” The American Senate is warning us of “severe consequences”. *They are saying there will be “severe consequences” for US-Indian relations. Should we ignore this, should we forget it?*

Deputy chairman Sir, the point that Sushma ji had made more than two and a half years back that from the time that we have been discussing this Nuclear Deal with America, all the statements that have come from their side are in one direction but the small number of statements from our side are in another direction. Their purpose is to get India into the non-proliferation Network regime in any which way. We are continuously talking about energy and that we are doing all this for energy and hence we have ignored the other aspects.

Now about this 123 Agreement. There are three points, which were mentioned by Shri Sitaram Yechury also, the government is saying that we are going to have three big advantages – one is that nuclear isolation and nuclear apartheid will be finished. I don’t know why we have become so worried about this nuclear isolation in the year 2007? All the people I have talked to including scientists working in this field have said that all the restrictions that have been imposed on India from 1974 onwards, from the time Smt. Indhira Gandhi did the Pokhran-1 test, so many years have passed, 33 years have gone by, in these 33 years Indian nuclear technology has only progressed. we have only gone forward, can anybody here stand up and say that we have become backward? The Prime Minister has mentioned that there is some nuclear renaissance bus which we will miss.

The whole world is trying to get on to the Indian bus and we are worried about missing some other bus, I don't know which one. All the scientists that we have talked to have said that this nuclear isolation has proved to be a boon for India, not a bane for India. And parallel to this, in the joint statement issued in Washington on 18th July, 2005, the Prime Minister had said, 'India is a responsible State with advanced nuclear technology.' How did we become an advanced nuclear technology State which could make us stand at the same level as America? It is the hard work of our scientists, the hard work put into our technology that has levelled our stature with that of America. How did we get affected by Nuclear Isolation, and that is why we should stop this crying about Nuclear Isolation and Nuclear apathy. It has not made any difference.

As I said, we will have three advantages as well and what are these three advantages. One will be technology transfer, we will get advanced technology. Now in this 123 Agreement, the Article 5(2) says which I will read out to you, Sensitive nuclear technology, heavy water production technology, sensitive nuclear facilities, heavy water production facilities and major critical components of such facilities may be transferred under this Agreement, pursuant to an amendment to this Agreement. This Agreement has not taken birth, it has not even been signed as yet, and already it is talking of amendment of this. For this Amendment to be completed, first the deal has to happen, then the 123 agreement has to be signed and after that an amendment has to be made and only then we will get this sensitive nuclear technology..... (Interruption).....

After that the question of fuel supply comes, the biggest thing is the untruth that is being publicised by the government that we will get fuel supply for the lifetime of the nuclear reactor. A nuclear reactor has a life of thirty years, forty years and the fuel that will be required for 30-40 years, we will get it in one go. Now I don't want to go into the cost aspect of it, the Prime Minister who has also been the Finance Minister, Shri Pranab Mukherji, External Affairs Minister who is sitting here, he has also been the Finance Minister, they don't seem to have any worries about the cost. If somebody wants to open a thermal power station and he says that he will sit with the whole 30-40 years supply of coal supply, doesn't it have a cost, what will be its cost, nobody is saying but I want to say one thing here, where is the assurance for this. the assurance is in Article (6) and Article (6) says, The United States has conveyed its commitment to the reliable supply of fuel to India etc. Deputy chairman Sir, please pay attention to this, this whole Article 6 has been lifted.

Shri Kapil Sibal - It is Article 5, sub-clause 6 and not Article 6.

Shri Yashwant Sinha – Okay. Article 5, sub-clause 6, a, b, 1,2,3,4 of Article 5, *this whole thing of Article 5*, it has been bodily lifted in the same language in which the Prime Minister had included it in his statement last March. *Now you can see how preposterous it is. It is so ridiculous. What does it say? That in March, 2006, at that time, it talks of the future and what is the future they are talking about : As part of its implementation of July 18, 2005 joint statement, the United states is committed to seeking agreement from the US congress to amend its domestic laws and to work with friends and allies to work in the energy. That was okay, in March 2006 they are promising that they would do this. now this 123 Agreement has come, it has happened and today Nicholas Burns' statement has come and before that the Prime Minister's statement said, This is cast in stone. It cannot be changed which means that not one word will be changed. It will go for approval to the American Congress and what will the American Congress say while giving approval? Deputy chairman sir, it will approve, the US is willing to incorporate assurances regarding fuel supply in the bilateral US-Indo agreement on peaceful uses of nuclear energy under section 123 of the US Atomic Energy Act, which would be submitted to the US Congress. I hope you have imbibed it. The US Congress will pass that after the 123 Agreement will be signed with India, in that the nuclear fuel supply assurance will be incorporated when it comes for approval to the American Congress. If our friend Shatrughan Sinha would have been here, he would have said, Daddu, this is the 123 Agreement, if you don't do it in this, in which will you do it?*

Shri Anand Sharma: You read the first two lines....(Interruption)....

Shri Yashwant Sinha - *Shri Anand Sharma, we have read all the lines....(Interruption).....*

Shri Anand Sharma – You are misleading.

Shri Yashwant Sinha – No, I am not misleading. The first two lines is, “ To further guard against any disruption of fuel supplies, the US is prepared to take the following additional steps”. What are the following additional steps? “That we will go to the US Congress after the 123 Agreement is signed. We will incorporate it”. Where is that assurance in this 123 Agreement? *I would like to challenge and ask that where is that assurance of fuel supply for the lifetime of the reactors? Will somebody tell me here at this time. Deputy Chairman sir, what did they promise, that it will become great, we will get the Right to reprocess. Not technology to reprocess, that is incorporated in*

article 14. *What does it say in Right to reprocess? It says you will not do it in campaign mode. In our existing facilities, we cannot reprocess. We will not get technology to reprocess. Forget it, we have the technology to reprocess. But how will that help us. We will be required to set up a dedicated facility to reprocess the imported spent fuel. And the arrangements and procedures for that, we will have a separate agreement with the US for that. Again an Agreement will have to be done. When that Agreement happens, it will again go to the Congress for approval. When it goes to the Congress for approval, who will be the President then? Mr. Bush is not everlasting, his term is going to come an end. Who will be the next President? Will he be a friend or not a friend? What will he do?*

Shri Shahid Siddiqui - *They are themselves saying that he will be a Democrat and he won't fit....(Interruption).....they are themselves saying that it will be a Democrat and there will be a lot of difficulty.*

Shri Yashwant Sinha – *I would like to say that whether it is sensitive technology or fuel supply or the right to reprocess which is being shouted to the whole world and the people are being influenced by these statements that we have got everything. We have not got anything. Everything is an untruth. I would like to emphasise and say that it is all false. To supplement what I am saying, I would again like to quote from the Joint Explanatory Memorandum. And what does it say?*

“The US will support an Indian effort to develop a strategic reserve of nuclear fuel to guard against any disruption of supply over the life of India’s reactors”.

This is from March 2006. I am quoting:

“The Congress has not been able to determine precisely what was said on this matter in high level US-India discussions. The US officials testified, however, that the United States does not intend to help India to build a stockpile of nuclear fuel for the purpose of riding out any sanctions that might be imposed in response to Indian actions such as conducting another nuclear test. The conferees understand that nuclear reactor facilities commonly have some fresh fuel stored, so as to minimise bound time when reactor cores are removed. They endorse the Senate proposal, however, that there will be a clear use policy that any fuel reserve provided to India should be commensurate with normal operating requirements for India’s safeguarded reactors.”

Again, I am quoting:

“The conferees understand and expect that such assurance of supply arrangements that the US is party to will be concerned with only disruption of supply of fuel due to market failures or similar reasons and not due to Indian actions that are inconsistent with the July 18, 2005 commitment such as nuclear explosive testing.”

Mr. Deputy Chairman: *Shri Sinha, you will have to leave some time for Mr. Arun Shourie also.*

Shri Yashwant Sinha: *Sir, I am finishing now. I wish that Arun ji gets full time because on this Nuclear Deal, if he does not know anything, then it is not worth knowing. That is why I want him to give time. We have covered this aspect and now about the foreign policy. Just now Shri Sitaram Yechury was saying, what happened to Iran? The LNG deal is over, the pipeline deal is over, what happened to State Bank of India, what happened to Essar company which is an Indian company, how it has taken back its proposal.*

How we had worked hard for participating in the Shanghai Cooperation agreement. We got included in it, we got observer status. As far as I remember, it has had two summit meetings. The other Prime Ministers, Presidents had time to participate in the Shanghai Cooperation agreements. But our Prime Minister did not have the time to participate in it both the times. Why? Because Shanghai Cooperation Agreement is not liked by America. So just to ensure that America is not unhappy, we will not go to the Shanghai Cooperation Agreement.

The Prime Minister (Dr. Manmohan Singh): Mr. Deputy Chairman, sir, I respectfully submit that the Hon. Member is levelling false charges. There was never any pressure on us or on me to join or not going to Shanghai meeting. All that I was interested was that if the Indian Prime Minister goes to these meetings, he should not sit in the side lounge, coffee lounge and not be involved in an active manner.

Shri Yashwant Sinha - *That is great, a lot of applauseÖ..(Interruption)*

The Minister of Science and Technology and Minister of Earth Sciences (Shri Kapil Sibal): of Your Prime Minister would have done that.

Smt. Sushma Swaraj: The Prime Minister is of the country. The Prime Minister is not yours or ours.

Shri Yashwant Sinha: Yes, of course. our Prime Minister never sat on any international high table. *It is there only in your destiny. Why didn't the*

Prime Minister go? Because he did not want to sit in the coffee shop, he wanted to sit only in the main table. So we will wait when your hard work will bear fruit, your efforts will bear fruit and you will then go to the Shanghai Cooperation Agreement. This point should be noted by the whole house that till then our Prime Minister will not go to the Shanghai Cooperation Agreement Summit meeting, that is the meaning. But let us forget what has happened to Iran, what is happening to Russia but why didn't the Agreement on the four reactors of Kudamkulan take place. I have a few papers here in which it is absolutely clear that the Agreement was ready for signature with Russia. One or two days before departure, it was announced that the Prime Minister will sign the agreement for the four reactors in Kudamkulan. I am worried, I have also worked for some time in that ministry and hence I am worried as to what is happening to India-Russia relations. Where are we? Our Foreign Minister goes to Moscow and let alone the Russian president, he is not able to meet even the Russian Foreign Minister. Our Defence Minister goes to Russia. He is not able to meet the Russian President. Our Prime Minister goes, and as the leader of the opposition was saying today, he goes for 28 hours to Moscow and the Agreement on the four reactors in Kudamkulan does not get signed. Why doesn't it happen? Will the Prime Minister, Foreign Minister clarify to this house as to what were the difficulties encountered and what were the problems because of which this agreement with Russia could not go forward.

Dr. Manmohan Singh: I am willing to do that right away and that will show, I think, what falsehood you are preaching in this House. It is true that there was a draft of an agreement for four additional reactors. But it has always been understood that that agreement can be operationalised only if India had the approval of the IAEA for an India specific safeguards agreement and also if India had the exemption granted to it by the NSG. Since these issues are now being debated and for the reasons which I do not have to go into, it was quite obvious that that agreement would not be operationalised in the absence of these two requirements which are now under discussion in various fora. The impression that you are trying to create, I think, the Russians fully understand it and all this false propaganda that is being made here and outside is not related to the facts of the case.

Shri Yashwant Sinha: Deputy Chairman Sir, I am happy that the Prime Minister has clarified this in whatever words it may be. What I am unable to understand is that when Russian officials came to India before his visit, when India's foreign Minister went to Russia before his visit, when India's Defence Minister went to Russia before his visit and all this was arranged

beforehand, papers were ready for signature, then.....(Interruption).....and as we did in respect to the two previous reactors in Kudamkulan in terms of getting IAEA safeguard, reactor specific safeguard. And even if this doesn't happen, if this was NSG, if this was IAEA, after the agreement when they finish their procedures, then after that when the question arose of signing or operationalising it, then sir, couldn't our Prime Minister have signed first, subject to the NSG approving this.....(Interruption).... why doesn't he do it? I would like to again with full seriousness.....(Interruption)

Mr. Deputy Chairman: *Mr. Yashwant Sinha, your time.....(Interruption)*

Shri Yashwant Sinha: *I would like to with full seriousness accuse the government that they did not sign because of American pressure.(Interruption)....it is absolutely clear, you came under the pressure of America.*

Dr. Manmohan Singh: Mr. Deputy Chairman, Sir, Shri Sinha is levying false charges against our Government. Perhaps he is reminded of his own performance, when as India's Finance Minister, he went to Japan and he was not allowed to meet the Finance Minister there. He thinks all people are like him.

Shri Yashwant Sinha: I am sorry, the Prime Minister has got personal...(Interruptions) Do you expect the Prime Minister to get so personal?(Interruptions)

Mr. Deputy Chairman: When you say that, you have to be prepared to take it also...(Interruptions) Why are you all getting up?(Interruptions) Yashwant Sinhaji, there is another speaker from your party and you have already taken 50 minutes. It is more than the allotted time...(Interruptions).... Please conclude...(Interruptions)

.....please sit down, sit down. Mr. Shahid, Mr. Shahid....(Interruption). Sit down....(Interruption)....Mr. Yashwant Sinha, Mr. Arun Shourie is there.....(Interruption)

Shri Yashwant Sinha: *Deputy Chairman Sir, I do not want to get personal but I am saying this with full confidence that the statement given by the Prime Minister just now in this House I fully incorrect.(Interruption)....It is incorrect.(Interruption). At a certain time the present Prime Minister was under another Prime Minister, I was the finance Minister and he was the financial advisor..... (Interruption)....What happens because of that, what happens is.....(Interruption)*

Mr. Deputy Chairman: *Please sit down. When your leaders are speaking, you kindly sit down....(Interruptions)*

Shri Laloo Prasad: *It does not speak well of Mr. Yashwant Sinha. When our leader Mr. Karpoori Thakur was the Chief Minister, he was his PA.(Interruption)*

Mr. Deputy Chairman: *What is this happening? (Interruptions) Please....(Interruptions)....What is this happening?.....(Interruptions)*

Mr. Deputy Chairman: *Please don't take this debate to this level.....(Interruption)..... Mr. Sinha, please conclude. Otherwise, Mr. Arun Shourie will not get the time.....*

Shri Yashwant Sinha: *Deputy Chairman sir, Mr. Laloo Prasad is absolutely right. Where am I refuting this. What he is saying is absolutely right. When Karpoori Thakur.....(Interruption).....when Karpoori Thakur was chief minister of Bihar, then I was his chief secretary. It is correct and Mr. Laloo Prasad used to come to my room with recommendations.(Interruption)....*

Shri Laloo Prasad: *.....(Interruption)...*

Prof. Ram Dev Bhandari: *our link was with Karpoori Thakur.... (Interruption)....he did not come into your room.....(Interruption)....*

Shri Yashwant Sinha: *And Deputy Chairman Sir, one day he came to my room with a recommendation. He said that that person had been in jail with him. I thought maybe he had gone to jail during the Jai Prakash movement. When the papers were taken out, it came to be known that he was in jail under Maintenance of Internal Security Act for some offence.*

.....(Interruption).....

Mr. Deputy Chairman: *What are you doing.....(Interruption)....Mr. Sinha, Please conclude. There are 34 members to speak. I have to regulate the time. Please cooperate.*

Shri Yashwant Sinha: *Sir, the last point that I would like to say is(Interruption)..*

Mr. Deputy Chairman: *Please conclude.*

Shri Yashwant Sinha: *Deputy chairman sir, when I was seeing the papers regarding this, I saw that when the Prime Minister had visited Washington in 2005, when he had signed on 18th July, and he had presented himself*

before the media on 20th July, I have the transcript of his press conference. In the press conference, he was asked a question that "Mr. Prime Minister, do you see any resistance coming forward from your allies and the Opposition in putting the new India-US policy to practice and will you seek a parliamentary consensus or approval to the new direction you seem to be taking in foreign policy?" This was the question. And the answer was and I am quoting, "Well, the Parliament in our country is sovereign. It is my intention to make a statement in Parliament when I go back home, and it goes without saying that we can move forward only on the basis of a broad national consensus". It is another matter that he added something more to that that, "I am confident that what we have done and what we have achieved will command universal support of the thinking segment of our country". Now here people like us, people like Sitaram Yechury, people like Digvijay Singh, like Mr. Amar Singh and several others who are here who constitute the majority of this House, they do not belong to the thinking segment of the population. We are all unthinking people and that is why we are opposing it. I on behalf of my party oppose this Bill wholeheartedly and I would also like to announce that if we come to power, which we will, then we will re-negotiate this Bill and we will not let this Bill go forward. This is all I wish to say.

[the text in italics is translated from Hindi text]



117. Speech of Member of Parliament Shrimati Kanimozhi of the Dravida Munetra Kazagham while participating in the debate on the Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, December 4, 2007.

Shrimati Kanimozhi (DMK): Thank you, hon. Deputy Chairman, Sir. I stand here today with humility and hope — humility for this august institution and hope for the future of this nation, which all of you and our predecessors have nurtured.

I am glad that my maiden speech to this venerated Chamber will help present my party's view on the all-important 123 Agreement.

My party and I firmly believe that the Agreement will benefit India by giving us full access to civilian nuclear technology without us having to sign the Nuclear non-Proliferation Treaty, and lift all the 33 years of unfair sanctions against us and allow us to maintain an independent military nuclear programme.

Some say that this is an unfair deal for India. The US Under Secretary, Nicholas Burns, the most often quoted man, in an interview to the US Press has said that the "United States is not going to suggest a similar deal with any other country in the world. India is an exception."

The New York Times and the Washington Post condemn the US Government for giving us too much. Pakistan has urged for a similar deal. Chinese papers and even American politicians have said that the US is trying to make India into a *de facto* nuclear power.

After all this, one cannot but conclude that the Indian Government and the Prime Minister must have done something good for the nation. Given the complexity and importance of this deal, it is understandable that people have questions and concerns about it, some genuine, some political.

Seeing it in the spirit of nation-building, our party leader, Dr. Kalaingar M. Karunanidhi, believes that the process of reconciling the differences over the 123 Agreement will not and should not unsettle the Government or disturb governance. It is an article of faith with him that if the Indo-US Nuclear Deal is fairly debated and clearly understood, concern will give way to consensus.

Sir, here, I would like to make it clear that our party and our leader have

never changed their position. We always supported it. We just wanted to have consensus and we thought that is the most important thing. India, along with China relies so heavily on coal for power. By 2020, China is preparing to produce more than 40,000 MW of electricity in its nuclear power plants.

We too have ambitions to generate 30,000 MW of nuclear power by 2020. But this will not be possible without the 123 Agreement. So, we will need to import nuclear fuel, such as uranium, for decades before our own Fast Breeder Reactor Technology becomes viable. Yes, we should also invest in developing our own thorium-based nuclear technology. But that is a long way away.

Plutonium, retrieved from spent fuel, is believed to be the key to India's energy independence. Plutonium reused with thorium, which is abundant in India, is said to yield 30 times more energy than conventional nuclear plants. But to reach there we have to take our first step.

Apart from strategic and political concerns, there are many environmental concerns too. Our worldwide industrial civilization runs on energy and 85 per cent of the world's energy is provided by the fossil fuels, coal, oil and gas. By burning fossil fuels, we inject 23 billion tonnes of carbon dioxide every year into the atmosphere, that is, 730 tonnes per second.

Sir, some environmentalists believe in the simplicity of solar cells and the pristine elegance of windmills and they refuse to accept the fact that they are quantitatively incapable of supplying the energy required. I do not mean to say that these renewable energies should be excluded; they are useful and have important niche roles to play. But, they can make only a marginal contribution to the growing energy needs.

For example, to replace just one nuclear reactor, such as the new EPR reactor which France is now building in Normandy, with the most modern wind turbines, they would have to be lined up all the way from Italy to Barcelona in Spain, which is about 700 kilometres. And, even so, they generate electricity only when the wind blows.

There is much talk about bio-fuels, like ethanol from sugarcane. The entire ploughable surface of the earth could not produce enough bio-fuel to replace present oil consumption, and it would also result in food crisis. By 2100, oil and natural gas reserves will likely be exhausted. This leaves only coal and nuclear energy. The idea of using more coal, the greatest contributor

to global warming, is simply not acceptable. One gram of uranium yields about as much energy as a tonne of coal or oil. Spent fuel can be reprocessed to separate out the 3 per cent of radioactive elements to be vitrified for safe and permanent storage. The remaining 97 per cent can be recovered and recycled.

Another argument against nuclear energy starts with disasters like the Three Mile Island and Chernobyl. Three Mile Island was the worst accident one can imagine. The core of the reactor melted down and much of it fell to the bottom of the reactor vessel. In spite of it, the radioactivity released was almost entirely confined within the reinforced concrete containment structure. As a result, no one was seriously injured. In fact, the Three Mile Island was a real success story for nuclear safety. Chernobyl was different. It had no containment structure. The reactor's faulty design made it unstable. A 600-ton graphite moderator caught fire and burnt for several weeks. Thirty-two people died within a few months, and about 200 more were severely affected and there were reports of many cancer cases. Chernobyl was the perfect example of what not to do with a nuclear reactor. But, in half a century, there have been far fewer fatalities due to civilian nuclear power industry mishaps than coal mine accidents which are common occurrences adding up to about 15,000 per year worldwide. Sometimes, bias is more ideological than factual.

Given how the global nuclear trade has been structured, the 123 Agreement is the only way we can get access to the nuclear technology and resources we need to fulfil our own power plans. Since India is not a signatory to the NPT, we are not part of the Nuclear Suppliers Group. This makes it difficult for us to conduct nuclear trade with the 45 member countries of the NSG. And, because of the sanctions, we are denied dual use technology which can be greatly useful in fields like nano-technology, medicine, information technology and related industries.

At a recent India-France meet on nuclear energy in Mumbai, the French, who were the only Government not to condemn our 1998 nuclear tests, told us that they could not supply us the nuclear technology until we conclude a safeguards agreement with the IAEA and get an okay from the NSG. Even Russia, our closest ally, which was supposed to supply us with four more nuclear reactors for the Koodankulam nuclear power plant in Tamil Nadu, have decided not to proceed with the deal. Russia, under a deal signed in 1985 by the then Prime Minister, Shri Rajiv Gandhi, and the Soviet President, Mikhail Gorbachev, was helping us to put up these plants.

However, after the break-up of the USSR, Russia joined the Nuclear Suppliers Group, which bans it from selling civilian nuclear technology to non-signatories of the NPT. The External Affairs Minister, in his statement, and today, the Prime Minister also, has explained clearly that India is waiting because we will have to go with an IAEA specific agreement for the arrangements to be operationalised.

This also means that the project will be delayed. The delay means that there is a delay in the Rs. 26,000 crore central investment in Tamil Nadu. Since May 2006, the Tamil Nadu Government has signed MoUs for setting up projects in Tamil Nadu which involves a total investment of Rs. 11,083 crores. This will employ one lakh and twenty five thousand people. In the present situation, an added 1800 mw of energy, which we could have got is being delayed, and, which would have translated into more industries, more power for agriculture, and, more employment. Here, I would like to recall our respected Prime Minister's words from his statement made on 13th September, "This agreement with the United States will open new doors in capitals across the world. It is another step in our journey to regain our due place in the global councils."

Hon'ble Deputy Chairman, Sir, by talking about the energy aspects of the Indo-US nuclear deal, I do not mean to gloss over the fact that the 123 Agreement will move us strategically closer to the United States. The old fears of colonization and western hegemony that have haunted our collective consciousness need to be driven out of mind. We need to develop the confidence and self-assuredness to realise that we are capable of collaborating closely with any nation without losing our independence in policy or action. Signing an agreement with America does not mean that we endorse everything it does.

Concerns are voiced that any agreement this Government signs with the Nuclear Suppliers Group could come with the rider that India would work towards signing a Fissile Material Cut Off Treaty (FMCT). Since the 123 Agreement gives us the freedom to separate our civilian and military nuclear installations, the deal poses no significant threat to our own strategic nuclear programme.

It is also important to underline, while 123 Agreement has got stuck in the binary of Indo-US ties, the fact that it will open India to trading in nuclear technology with almost any country. Much has been made of the fact that there is a provision in the agreement that the US President could withdraw supplies of nuclear fuel and recall any equipment subject to a one-year notice.

Hence, we would like the Government to assure the Members that it is not committed to buying nuclear technology only from the US. We would also like to know if other members of the NSG could bail out India in the event of any cessation in supplies from the US.

While these details are critical, we must resist allowing it to distract us from larger purpose. The 123 Agreement has not come into being for itself. Its framers from the BJP which initiated nuclear talks with the US to the current Governments in New Delhi and Washington, did see it, and, still see it as an essential part of our development quiver, which means, the upliftment of 300 million people out of poverty, gender and caste discrimination, rural neglect and illiteracy.

Sir, I would like to conclude with the words of our founder leader Anna, spoken in this very esteemed House in November, 1962 on a debate during the Chinese aggression. He said, and, I quote, "I enter the name of the DMK in the roll call of honour that is being now formulated for the safety, for the dignity and future of this country, this nation".

Thank you.



118. Speech of Communist Party of India leader and Member of the Rajya Sabha D. Raja in the Rajya Sabha during the debate on the Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, December 4, 2007.

Shri D. Raja (C.P.I): Thank you, Sir.

While initiating the debate on this crucial issue, my colleague from the CPM, had explained the position of the Left.? After listening to several speeches, I would like to reiterate certain things on behalf of the CPI as well as the Left.

Sir, we are a democracy. We have a vibrant and sovereign Parliament. It is imperative that the Government takes the Parliament and the people into confidence. The Government takes the political parties into confidence. I could hear some speeches in defence of the deal made by two eminent lawyers. But, I understand, the defence was so weak and they could not

defend the deal. But, they raised certain issues which need to be explained. As far as the Left is concerned, on 7th August, we came out with a statement in which we have asked the Government not to proceed further to operationalise the deal. There is no change in the position of the Left. Our position on 123 Agreement remains the same. Having said this, I must make it clear that we have taken the stand based on our own understanding. It is not something from a position some people tried to say that the Left has an obsession of anti-Americanism. It is not so. We oppose the deal from our own understanding and we are not anti-American that way. We have a great respect for the American people. Sir, Walt Whitman is a favourite writer of ours. We all admire the writings of Martine. It is not that anybody oppose for the sake of being Americanism. It is not the position of the Left. Having said that, I must also say, some people referred that we are doing it for China. It is not so. In fact, the US has an agenda. It is open as well as hidden. The US has got a great grand design on Asia. It has been acknowledged by many American scholars and ideologists. The US is striving for a grand design on Asia and the US wants India to be its military ally. Sir, the US wants that India to be a very dependable strategic partner. The US has various objectives for this. That is one reason why the US is more pro-active in getting this deal clinched. In fact, I would like to take a minute to quote what the US Secretary of State, Ms. Condoleezza Rice has said. While appearing before the Senate and the House Committees in April, 2006, she said,

- (1) This deal would benefit security by bringing India into the non-proliferation mainstream.
- (2) The deal will benefit the US consumers by reducing the pressures on global energy markets, especially carbon-based fuels.
- (3) The deal will benefit the environment by reducing carbon emission green house gases.....

The fourth point is the most important thing. This deal will benefit U.S. business interests through sales to India of nuclear reactors, fuel and support services etc.

And, fifthly, it goes on to talk about global partnership between India and the U.S. The same thing has been confirmed by Mr. Nicholas Burns when he said that this agreement will deepen the strategic partnership, create new opportunities for U.S. business in India, enhance global energy security and reduce India's carbon emissions. I again quote Mr. Nicholas Burns.

He said this and it is on record, "It will also send a powerful message to nuclear outlaws such as Iran. If you play by the rules as India has, you will be rewarded. If you do not, you will face sanctions and isolation."

This is the grand design of the U.S. on Asia. And, in fact, the U.S. wants India to be on its side, and some people think it is convergence of democracies. Even Mr. Ram Jethmalani was commenting upon it. It is convergence or union of two democracies and India should always align with the U.S. After all, when the democracy initiative was taken, when our Government contributed ten million dollars, if I remember correctly, to the Promotion of Democracy Fund, we did not agree with that. We criticised that. India and the U.S. cannot share the same perspective of economic freedom or political freedom. It is the U.S., which has attacked Iraq. I do not want to get into those details. But, what the U.S. is trying is, it is trying to drag India into this global strategy. That is why, the U.S. wants India to be its military ally. The U.S. wants India to play the role of, say, a kind of Israel in South Asia. The U. S. wants India to be part of a kind of Asian NATO.

I think, the Left was correct, when it decided to oppose the joint Naval exercise which was carried out in the Bay of Bengal along with Australia, Japan, the United States of America and Singapore. It was a joint exercise along with the U.S. military allies. We are not a military ally of the U.S. Why should India join such an ally? This is an important issue. The other issue, definitely, it has some impact on our foreign policy position. I must quote the CMP because the hon. Prime Minister and the External Affairs Minister are present here. It says, "Even as it pursues closer engagement in relations with the USA, the UPA Government will maintain the independence of India's foreign policy position on all regional and global issues. The UPA Government is committed to deepening its ties with Russia and Europe as well." This is what has been said in the CMP. But what happened in reality, I do not know. Iran was prepared for India-Iran-Pakistan gas pipeline. I think, we cannot find fault with Iran for this gas pipeline not coming up. It was, again, Condoleezza Rice, who openly challenged this gas pipeline project. It was an outright interference from the United States of America. Why should India succumb to it? I cannot find any evidence to accuse Iran for this gas pipeline not coming. I find that it has something to do with our understanding of the U.S. ties. Did we come under pressure from the U.S? That is one thing to think over. Not only this, there is the question of Russian reactors. The hon. Prime Minister did intervene in the morning and tried to explain the position.

But having said that, I must say that Mr. Ram, who accompanied our Prime Minister, who is the Editor of 'The Hindu', after returning from Russia, wrote explaining the non-deal with Russia. Let me quote: "Is there a linking between backing away, just before Prime Minister Manmohan Singh's Russia visit, from concluding an inter-Governmental Nuclear Agreement with Russia and an apprehension of American displeasure? Has the Government become one-trick pony?" This is what Ram writes. Still, there is an apprehension why that Agreement with Russia did not go through. It is an inter-Governmental Agreement and Russian Government was prepared. Even it could have used it as an argument to deal with the US. Why our Government did not agree to sign that Agreement, I do not know. But, here, during the debate, some people mentioned about China. We have got a better deal in comparison to China and other things. Maybe, I would like to ask them to see the Chinese Agreement also which says the China-US 123 Accord states "the Parties recognise with respect to the observance of this Agreement the principle of international law that provides that a Party may not involve the provisions of its internal law as jurisdiction for its failure to perform the Treaty." This is what the China-US 123 Accord says. I can quote what the Japan-US 123 Agreement says, because there is a misconception that we have gained a great deal in comparison to US-China deal, or, US-Japan deal. It is somewhat misplaced and, moreover, this 123 Agreement has an impact. The Hyde Act is the enabling Act; whether we like it or not. Mr. Nicholas Burns, on record, has made it very clear that the Hyde Act is an enabling legislation for India-US 123 Agreement. Mr. M. K. Narayan went on record to confirm that during negotiations all the requirements of the Hyde Act were taken care of. This is what I want to tell you. Therefore, how can one argue that the Hyde Act has nothing to do with India, we are bound by 123 Agreement only? The Hyde Act has nothing to do with India; 123 Agreement will override everything. I do not agree, or, I am not convinced of that argument. Maybe, in legal terms what others have been saying, whether that convinces them, that is my question, because it does not convince others.

Here, I must raise a few things with regard to energy. It is not that Left is opposed to nuclear energy. We understand the importance of nuclear energy and people talk about clean energy. We raised this issue, that is, Kyoto Agreement. It is the US, which is not signing that Agreement. The other day, our Finance Minister went on record that developed countries are responsible for emissions of all that which causes global warming and developing countries cannot be accused for that. Having said that, I must say India already has nuclear energy. I have a document, which gives

worldwide data for world nuclear power reactors, up to May, 2007. It says India has got 17 reactors under operation and we generate 2.6 per cent of nuclear energy, out of the total energy generated. Now, if this Deal goes through, what is the projection? By 2020, India will have 6.8 per cent nuclear energy. It means there will be an increase of 4.2 per cent. For 4.2 per cent, what is the economic cost we are making, or, what is the political cost we are paying? I do not want to go into the figures. It is a well known fact that nuclear energy is the most expensive and India's other sources also can be better option in the Indian context.

Hydel power, thermal power, solar energy, wind energy — all these things can be considered. In addition to that, we have developed our own indigenous nuclear technology. I must congratulate our scientists and technicians who have laboured and developed our nuclear technology against sanctions. I congratulate them; but why can't we think of something? A recent argument was that we do not have Uranium deposits and even if we have Uranium, its quality is very low. I do not know what is the scientific proof to show that Indian Uranium is low on quality, or that we do not have enough Uranium deposits. These things can be debated upon, but the option of nuclear energy cannot be treated as the best option. India will have to consider this. Of course, we want India to move towards faster growth. Even the 9.1 per cent growth that we talked of has started declining. Government will have to think of other macro-level economic policies to sustain a faster growth.

Having said this, I must move on to other issues which friends have raised, that is, the nuclear agreement will raise India to the high table of the Nuclear Club, or that we would get away from nuclear apartheid, or that there will be nuclear renaissance, or that there will be nuclear winter all over the world. I don't buy all these arguments because these are all epithets to hoodwink people. I do not know how far these are true. Even in the United States of America, they have not built new nuclear reactors and there has been nothing for the past three decades. They are looking for a big nuclear market in India and that is the major concern for the US behind pushing for this nuclear agreement. That is why, I say that this agreement is not in our interest. We cannot go against this agreement. This agreement is detrimental to our national interest. We cannot become a military ally to the United States of America. People think that India is a big nation, a big democracy; India cannot be taken for granted; India cannot succumb, and so on. But let us not forget — I do not mean to make comparisons — that even as a big nation, India was under colonial rule. We were ruled by several

imperial powers. We were ruled by the British; we were ruled by the Portuguese; we were ruled by the French. India was colonised. We should understand and draw lessons from our own history. That is why, India needs self-reliant development. India needs a self-reliant nuclear policy. India needs a self-reliant economic development. My question is, will this agreement help India to emerge as a stronger nation? With this deal, we cannot think of India emerging as a stronger, prosperous nation. In the name of India, in the name of our nation, I appeal to the Government not to rush through with this agreement and not to do anything in haste. Let the Government take the Parliament into confidence.

The hon. Prime Minister and External Affairs Minister have listened to all the speeches made on the floor of this House and I think the majority of opinion is not for the deal. Then, how is this Government going to take this deal into consideration? People talk about *aam admi*. Even we know what *aam admi* thinks and what they are, because we work among the *aam admi*. It is not as if only some people know what is in the minds of the *aam admi* while others do not know. We speak in the name of the nation. It is not that we have some other interests. My colleague, comrade Sitaram Yechury, spoke about Chinese support. Some Congress representative said that China is opposing it. I do not know about it. Let the hon. External Affairs Minister clarify whether China is opposed to India's position. One should not make such comments in the course of a debate. I do not know whether China is really opposing India's efforts or what is happening to Pakistan. But, finally, Sir, I must say that we must keep in mind whatever happens around us — what is happening in Pakistan; what is happening in Nepal; what is happening in Bangladesh; what is happening in Burma, and what is happening in Sri Lanka. We have a democracy. It is a vibrant democracy. We have a Parliament, a sovereign Parliament, a functioning Parliament.

Our democracy has taken strong roots. Political parties are responsible and answerable to people. Take the people into confidence; take the Parliament into confidence and take the political parties into confidence. Do not proceed further to operationalise this deal. This is the position of CPI and Left. Thank you, very much.



119. Speech of External Affairs Minister Pranab Mukherjee relying to the debate in the Rajya Sabha on the India – US Civil Nuclear Energy Cooperation Agreement.

New Delhi, December 4 – 5, 2007.

The Minister of External Affairs (Shri Pranab Mukherjee): Thank you, Mr. Chairman, Sir. First of all, I would like to express my gratitude to all the hon. Members who have participated in this debate. We started our discussions at 2.00 p.m. and we concluded our discussions without any lunch break at 11.30 P.M. There was no dinner break also. There was neither lunch break nor dinner break and it went up to 11.30 p.m. I had the privilege of listening to some of the very educative and interesting observations, some lengthy, some short. All the hon. Members who participated in the discussions made their contributions and I am grateful to them for x-raying the issues from different angles. Before I respond to most of the issues raised by the hon. Members, they have been responded to by a number of my colleagues. I would like to express my regret that I could not listen to the first part of the speech, not exactly the first part, the first few minutes of the speech, of Mr. Arun Shourie because I had to rush to my room for some urgent work, and I also missed the initial part of the observations of a couple of Members. However, throughout the debate I remained present here.

Sir, this is the fifth debate, if I recollect correctly, that we are having on India-US nuclear civil cooperation arrangement. After the Joint Statement issued by President Bush and Prime Minister Dr. Manmohan Singh in July, 2005, we had a discussion. After the visit of President Bush to India in March, 2006 and after pressing for a discussion on the separation plan, a discussion took place. Thereafter, on 17th August another discussion took place on the floor of the House and that discussion of 17th August had assumed some importance, in the sense, that certain pointed assurances, strictly speaking nine assurances, were sought from the Prime Minister by Mr. Yechury who initiated the discussion. This discussion was also initiated by him. The Prime Minister responded to all nine points. As regards its relevance, I will come to it later. Thereafter, we had a discussion, after the Hyde Act was passed in December. The Prime Minister could not respond to that debate—but he listened to the debate throughout staying in the House—because he had some throat problem. I responded to the debate which took place in December. This is the fifth debate and this debate was slated for the Monsoon Session. After the passage of the Hyde Act and

after the last discussion, another important thing took place that the 123 Agreement was initialled and the text was frozen. After the text was initialled, it was discussed with the leaders of the political parties. The Prime Minister invited the leaders of the principal opposition parties, the BJP and the Left. On the very first functional day of the Monsoon Session, the Prime Minister made a statement on 123 Agreement on the floor of the Lok Sabha and thereafter here. But, unfortunately, neither his speech was heard because of disruptions nor could the discussion be held in either of these two Houses. Therefore, we thought it would be better to have a discussion on this issue in the Winter Session.

The short point which I am trying to derive at is, this is one international agreement, as some of the old Members may remember, like the WTO Agreement which was discussed several times on the floor of this House and on the floor of the other House. Therefore, this international arrangement, civilian cooperation agreement between the USA and India has also been discussed several times. Now, many questions have been raised. I am not going into the technical aspects of the treaty because we have the privilege of having experts and eminent scientists like Dr. Kasturirangan, present in the House as Member. He participated in the debate and made his contribution. Legal experts like Shri Kapil Sibal, Dr. Abhishek Manu Singhvi and Shri Ram Jethmalani have analysed it from various legal angles. Knowledgeable Members like Shri Arun Shourie, the former Foreign Minister and Finance Minister, Shri Yashwant Sinha and many others, of course, the initiator of the debate, Shri Sitaram Yechury — I am not going to mention the name of everybody — made very valuable contribution. They presented how they feel about this agreement. In the course of the discussion, normally what happens is, sometimes, as we argue a case, we argue it to the extent that we forget all other aspects; in a Parliamentary debate, also sometimes, this type of approach takes place. The first point which I would like to emphasise is that too much interpretations have been given on the two nuclear tests which took place in 1974 and 1998. Hon. Shri Yashwant Sinha, former Finance Minister and External Affairs Minister, during the course of his observations, as yesterday was 4th December, referred to the decision of his political party, the then Jan Sangh, at the Working Committee Meeting in Patna, where they declared that India should go in for nuclear weapons. In 1974, the first test was conducted at Pokhran. It was followed by another, in May 1998, by the then NDA Government. In the debate, a substantial part was devoted to whether India retains the right of test or not, as if retaining the right of test is the crux of the whole thing. In the course of the discussion, it was also

attempted to project that what began in 1974, the leaders of the BJP are claiming that we took it to the logical conclusion in 1998 and this Government by signing this agreement or attempting to sign or finalise this agreement, is contemplating to give up that position. Most respectfully I would like to submit that from day one of the Independence of this country, starting from the Father of the Nation to Pt. Jawaharlal Nehru and all Congress Prime Ministers, they firmly made a commitment to total nuclear disarmament.

It is not correct to say that Mrs. Indira Gandhi went for the Test of 1974 because she felt jittery of the presence of the Seventh Fleet in the Bay of Bengal at the time of India-Pakistan War, on the eve of liberation of Bangladesh. Most respectfully, I would like to submit, Sir, it is not correct, because I can tell the House what she said immediately after the Test. I would like to read out her statement made on 18th May, 1974. She made her stand clear at a Press Conference; I am quoting from a book. I will take the name of the book also, where the statement of Mrs. Gandhi has been quoted. It was stated, "The Indian Government announces the blast without specifying the location and declares it as a peaceful nuclear explosion." She had said in that Press Conference, and I quote: "There is nothing to get excited about. This is our normal research and study. But we are firmly committed to only peaceful uses of atomic energy, not for weaponisation programme, as is being attempted to be projected." This point has to be understood very clearly. Later on, I will come to the issue of 'testing' or 'not testing'. And, four days after that, when the then Pakistani Prime Minister, Zulfikar Ali Bhutto, responded, then, she wrote a letter to him on 22nd May. While assuring the Pakistani Prime Minister, she said, "We remain fully committed to our traditional policy of developing nuclear energy entirely for peaceful purposes. The recent underground nuclear experiment conducted by our scientists, in no way, alters this policy. There are no political or foreign policy implications of this test." And, we are continuing this policy for long, even after 1974. That is the rationality. Again, what did the then young Prime Minister, Shri Rajiv Gandhi, said in the United Nations Non-proliferation Disarmament Conference? He clearly emphasised and told the international community, "I have acquired the capabilities. I do not require the help from anybody. India can manufacture weapons. India can weaponise the nuclear programme. But I can assure the international community that I will not graduate myself from the threshold level to a nuclear weapon State." From 1974 to 19th May, 1998, when you went for an explosion, the phrase which we used was: "India will keep its nuclear option open. It will not close its nuclear option." We may go in for weaponisation. We may not go in for

weaponisation. But what we demanded from the international community is, "If you agree to a complete elimination of the Weapons of Mass Destruction, if you agree to the total disarmament and complete test-ban, both horizontal and vertical, I am assuring the international community that India will not go for weaponisation, though I have the capability". In the scientist's language, it could be said, "India was just a screw-driver away from the weaponisation programme."

And it is obvious. The NDA Government came to power on 1st March, 1998 and went in for explosion in May. Am I to assume that in less than six weeks, you were able to make all the arrangements for the test, if everything was not ready? Therefore, this is a question of principle, firm commitment on disarmament, firm commitment on non-proliferation which embedded in our civilisation and in our history.

Therefore, you may have your own view. And there was a broad national consensus on that issue. Yes, from 1964, you have been saying that we want nuclear weaponisation. But, in 1977, when you were a major partner in the coalition Government, you did not go in for nuclear weaponisation. When you came into power and became the dominant partner in the Government, you did it. And don't try to preach the whole world that the Congress Government did not go in for nuclear weaponisation because of some pressure. The other day I was told that some Defence Minister has said that he was ready but because the instructions came from somewhere else, from the top, the test did not take place. Obviously, the indication was that the pressure came from some super power and that is why the test did not take place. It is not so. The nuclear weaponisation programme is kept a top secret in every part of the world. Only the Prime Minister or the Chief Executive and a couple of his advisers know about it. I read a book on Harry Truman who, as the President of the United States of America first dropped the atom bombs on Hiroshima and Nagasaki. As you know, he was the Vice-President and when President Roosevelt had died, as per their Constitution, he was inducted as the President. After 25 minutes of his swearing in, he was told by somebody, "Look, there is a weapon like this". As the Vice-President of the USA, he did not have the knowledge of the existence of this weapon. There is a book titled 'Where the Buck Stops' written by his daughter, Margaret. In that book, I had read it. And he did not believe it! He was always enquiring from and questioned his Security Adviser, "Please explain the strength of the weapon in terms of TNT". The Security Adviser — who is an expert; of course, a General — told him that the potentiality of that weapon could not be explained in terms of TNT. Therefore, I do not know which

Defence Minister had said this and what knowledge he had. But I can assure you from my own experience and on the basis of the principles and the philosophy of the Congress Party that we do not believe in nuclear weaponisation in a massive way. Yes, we want. When it came into existence, the pest came out of the tube, there was no question of putting the same pest back into the same tube; it became a *fait accompli*. And when it became a *fait accompli* and when you yourself in your nuclear doctrine clearly stated 'No First Use', 'No Use against Non Nuclear Weapon States', 'Voluntary Moratorium on Test Ban', it was accepted; we did not change the nuclear doctrine; we are pursuing the same.

Sir, I am a little scared; not scared, but a little confused, I must say. I must frankly admit that my knowledge in these matters is so little that I was a little confused when Shri Yashwant Sinha tried to play with the words 'credible minimum deterrent, whether it is minimal or whether it is minimum or whether it is credible'. I then asked my officers to brief me on this, and I found that you have used this phrase on four occasions. And this is the widely accepted phrase, 'credible minimum deterrent,' that we do not want to be a nuclear weapon State. That is the Foreign Policy; that is the philosophy. You also accepted it. That is why you put moratorium on tests. You gave the explanation. Yesterday, Shri Kapil Sibal explained in details, convinced the whole world that we have no intention of becoming a major nuclear weapon power. We want minimum credible deterrent from our security perspective. Mr. Sinha is a very knowledgeable man, an experienced man. What you have, what you don't have, what we would like to have, security and threat perception. It is not in absolute terms. It is related to who could be your potential adversary. Depending on his capacity, his potentiality, always the Government of the day will have to determine what would be the threat perceptions and what deterrent would be required. Repeatedly, it has been stated that 'yes, if we want; if we feel at some point of time that test is necessary from the geopolitical situation, defining of the weapons are necessary, we will do it. In 123 Agreement, it has not been banned. It has not been put that it will be prevented. I myself clarified on the floor of the House on 17th August of this year 'that yes, there will be no ban. And if India considers it necessary, it will undertake the test. As we did it in 1974; as we did in 1998; and the consequences will also follow. It is as simple as that. As it happened in 1974; as it happened in 1998. I entirely agree with one hon. Member that it is not necessary that we are compromising everything, we are sacrificing our indigenous programme. When you talk of energy, there is no need of ridiculing the concept of nuclear energy. An attempt has been made to query whether it will be beneficial to

aam aadmi; whether it will help the common people; whether we are diverting the resources. Most respectfully, I would like to submit, Sir, through you, to the hon. Members that so far as 123 Agreement is concerned, it is an enabling provision, it is an enabling framework. With this enabling framework, the restrictions which are there, of having nuclear trade with India, will be removed. And, of course, it is applicable to the United States of America and India. As per the 1954 Atomic Energy Act of USA — which has been subsequently amended — the United States of America cannot enter into any civilian-nuclear cooperation with any country which is not a signatory to the NPT. Therefore, the Administration does not have the authority. A waiver is required under that Act, and that waiver is to be provided by an Act passed by the legislature. The US Congress passed the Hyde Act, which enabled the US Administration to cooperate with us.

So much of discussion has taken place on the Hyde Act, I am not entering into the legal angularity because it has been well explained; and, after all, I am not a practising lawyer, I am a humble teacher. Therefore, I do not have the legal acumen to argue for, to argue against. But, from the plain and simple reading, and my understanding of this is, yes, in this Act there are so many observations. When the Act was passed, I myself described the Act, 'it is prescriptive, it contains so many extraneous elements, we are not obliged to have it, it is not binding on us.' Yes, as per the Hyde Act, there will be a requirement of Presidential determination. To have the Presidential determination, the President will have to report to the Congress. But, most respectfully, I would like to submit through you, Sir, that this is one-time. It has been explained in detail. When the U.S. President will go to the U.S. Congress with these States, which has been initialled and the text has been frozen, which has not been operationalised. There is no question of operationalisation till the entire process is complete; and, the process has just begun. Of the various stages of the process of operationalisation of 123 agreement, one is to agree on the language of the text. That has been done. Then the second stage is IAEA, the India-specific safeguards arrangement. After that, the third stage is the amendment of the NSG guidelines. At the fourth stage, along with these three documents, it will be referred to the American Congress which will be on the Table for 90 days. As per our practice, it is just 2 days, 3 days, 4 days and the Bill will have to be taken up for consideration if you have to introduce and there is a notice period. But they require 90 days! It will lie there. Once the ratification is done by them, then the respective countries will sign and the process of operationalisation will complete. We are just in the process and that process is yet to be completed.

Now, why are we going to have it? Much talk has taken place on energy. A lot of observations have been made. Here, I would just like to quote one observation made by no less a person than Pandit Jawaharlal Nehru, at the very initial stage of our Independence and economic development. I think, Mr. Natwar Singh is very well conversant with this letter and all the letters of Nehru because he and Dr. Karan Singh are associated with the Nehru Museum. This letter was written by the then Prime Minister to all the State Chief Ministers on 25th September, 1953, when he was camping at Ranikhet. What did he say? He says, and that has relevance and that is why I am quoting it: "In countries where power is cheap and abundant, as in the U.S.A., this aspect is not important. But where power is neither cheap nor easily available, the civil use of atomic power is of the greatest importance."

In another place of the same letter—it is a long letter, it also acted as a sort of guidelines to the State Chief Ministers —there also he says: "In this connection, it is interesting to read.." he was referring to an article written by Gordon Dean .."What Gordon Dean has to say about India; he says that India has the most advanced atomic energy programme in all Asia. Outside that of Soviet Union, she would have her first reactor within two years and with no help so far from the US. She has the necessary natural resources, some good talent and ambitious plans." This is of 1953. If we had good talent in 1953, if we had ambitious plans in 1953, most respectfully I would like to submit that, Sir, surely, today our capacity has not been reduced. That capacity has increased much more because today India is having an economy worth one trillion USD, India is having an export of more than 300 billion USD. The Budgetary transactions, which Pt. Jawaharlal Nehru wanted, were ridiculed by saying that it was less than that of the New York Municipal Corporation. Today it is more than 250 billion USD, both revenue and expenditure taken together. Therefore, we have that capacity. I am not going into all the technical details, but we require energy. Today our installed capacity is 1,28,000 MW. The Planning Commission has made some studies; the Atomic Energy Commission has made some studies. Even during the NDA regime some studies were made.

In fact, it is the NDA Government, which projected a target of 3000 MW capacity by 2030 if nuclear commerce is opened up to India. Therefore, the Planning Commission says that the integrated energy policy brought out by the Planning Commission clearly recommends import of the Light Water reactors to supplement the indigenous programme. The Nuclear Power Corporation of India, NPCIL, carried out a detailed study in 2005 on the economics of Light Water reactors. Based on their analysis, they formulated

a programme to set up nuclear generation capacity of 40,000 MW by the year 2020. Not very ambitious! Yes, true, today it is 3900 compared to 1,28,000 MW capacity. But for whole world today, it is 15 per cent. It is equally a fact that at some point of time they did not go for it. Even the advanced countries did not go, it is correct, that the USA did not go for in a major way for the nuclear power programme. The advanced countries did not go in a major way. But the situation has changed because of the growing climate consciousness, growing awareness of the environment, recognition of the fact of climate change, volatility of the international oil market, apart from its pollution and other difficulties. All these factors are leading to the situation where perhaps in our energy mix, — I am using the 'energy mix', it is not the only nuclear energy, — we shall have to make the optimum utilisation of all sources of energy- hydel power, thermal power, renewable energy sources, solar, waves, winds, all. The Government of India is actually doing it. It is not that we are not doing it. In a Group of Ministers under my chairmanship, we decided about compulsory mixing of methanol to the extent of 5 per cent and the desirable level of 10 per cent. It will have to be mixed with petrol and diesel.

This decision has already been taken and we are going to implement it. Luluji has taken up major cultivation of Jatropha in the lands of the Railways for encouraging bio-diesels. It has been pointed out, and rightly pointed out, that in our neighbouring countries, there is huge potential of hydel power. In our own country we have the problem. But, when we are debating, Mr. Chairman, Sir, most respectfully I would like to submit, particularly to those who have the experience of running the Government, just to score a debating point, they should not ignore the practical problems which we are facing in certain areas. What is happening in Tehri Dam project need not be required to be explained to the most knowledgeable Members of this House, where we had started in Nepal with an agreement initiated by me in 1996 as Foreign Minister. Maha Kali River and Panchveshwar Dam project has not yet been ratified by the Nepalese Parliament. I do not blame anybody. They have good reasons. But the fact of the matter is, it cannot be ratified. It cannot be implemented. Where it can be implemented it has been done. Look at Bhutan. We made a small beginning with Pukha and today with Tala project we are just having a beautiful cooperation. So, the short point, which I am trying to digest, Sir, is that our requirement would be 300,000 to 400,000 mega watts by 2020-2030. Therefore, we shall have to explore all the potentials. Sitaramji while presenting his case, very correctly pointed out that we cannot ignore health, we cannot ignore education. But most

respectfully I would like to submit that in respect of health and education, perhaps this Government has done what maximum could be done under the given situation and which is going to be approved by the State Chief Ministers in the Eleventh Five-Year Plan in the next NDA meeting.

Shri Sitaram Yechury: Not NDA meeting but NDC meeting.

Shri Pranab Mukherjee: I am extremely sorry. At NDC meeting which is going to be approved by the State Chief Ministers and the Central Ministers at NDC meeting. Gross budgetary support — I am not talking of the allocation, I am not talking of the IEBL and extra budgetary resources — to education has been stepped up by 12 percentage points, — percentage points — not in absolute terms from seven per cent to nineteen per cent. On health, it has been double and the hon. Member like Mr. Yechury is fully aware that today, we may like it or we may not like it but, the hard fact is that the core plan has become devious. Surely, Mr. Yashwant Sinha, with his long experience as Finance Minister, will bear me out because, practically, the Ninth Plan and the Tenth Plan have been implemented by him. He knows that the Plan has become practically the budgetary support. Therefore, it has been decided that yes, we shall have to go for that. We shall have to do it. There is no denial of the fact that we shall have to spend more on education, more on health, Health for All, Education for All. People are talking of how it is going to help the *aam aadmi*. Whenever we bring in any new ideas, yes, obviously we would like to examine it. We would not like to be taken simply by some ideas. But, please have some respect for experience.

Try to learn from the past experiences before just putting your objection. When Shri Rajiv Gandhi Government talked of IT revolution, what had happened? We expressed our concern as to what would happen to *Aam Aadmi*. How is he going to be benefited by IT? How is he going to be benefited by computerisation? He had taken it up with the concept of moving into the 21st Century. Today, India's leadership in the IT is the vision of that man. But, most respectfully we would like to remind this hon. House and ourselves that many of us did not accept that. We were sceptical about its use. Yes, with new ideas and new perceptions, there may be scepticism.

Therefore, the hon. Prime Minister always desire to have discussion. He is not running away from Parliamentary debate or discussion. He is trying to understand the different points of view. The discussion does not mean dictation. Somebody will say and you will have to accept it. Let us, frankly, exchange our views, ideas and see where we are wrong and where we are right. Please do not treat it as immodesty. I most respectfully submit what

Mr. Kapil Sibal was referring. I would like to complete the remaining half circle where he has left. It was not merely the criticism of the Dunkel Text. But, it was related to a specific programme. As all of you are fully aware, especially the hon. Members who have participated in this discussion, no international treaty is self-executive. An international treaty is to be implemented by the national law. That is why it is written that it will be implemented by the participant-countries as per their national laws. And, if the national laws are not in conformity, they are to be amended, as it has been in India's case. As per our scheme of the Constitution, this Parliament does not have the right to make legislation on the State List — List No. II. But, to implement an international agreement, if it required, the Parliament had the power. List - I of the Seventh Schedule has given this power to the Indian Parliament. This was the occasion. When Mr. Joshi and BJP friends, at that point of time, opposed seriously, I signed the WTO Agreement.

Dr. Najma Heptullah was the Deputy Chairman, she will bear me out, knew what I had to face. Mr. Digvijay Singh was also their member. They opposed very vehemently. We could not pass it first. Then, we went through an Ordinance. But the Ordinance has to be passed by the Houses. We had brought it. It was rejected by the Rajya Sabha. I can understand that. They opposed then. They are opposing now. Even when a further amendment we brought, after this Government came to power, I, along with Mr. Chidambaram and the Commerce Minister, had to spend many hours with them to meet their requirements and after that when we addressed their concerns, we amended that Act. But, I am talking of the first amendment to the Indian Patent Act where the product patent in the 1970 Act was not permissible. We had only the process patent, not the product patent. So, we were to do it at that time. Please remember, the bogey was that the life-saving drug prices will reach the sky. The Indian pharmaceutical industry will die, will collapse. All the multinationals are waiting to capture the Indian markets. But, today, Indian pharmaceutical industry is booming in the world.

It is one of the most advanced sectors. And, what happened, ultimately? I am not talking that. Mr. Siva says, "Don't have your policies linked with your place of seats". You opposed it; you opposed the Patents Act. As a result, there was a complaint in the WTO's dispute settlement mechanism that India had failed to provide exclusive marketing rights, or, amend its patent laws in respect of the IPR on certain product patents, including drugs, medicines, food products and certain other products, like, chemicals. You sent your best lawyers twice, including the then Attorney General of India,

Soli Sorabjee. They did their best. But you lost the case and you had to come back to the same House. We were sitting there. I consulted Dr. Manmohan Singh, who was the Leader of the Opposition at that point of time. He said, "Yes, we should support it." We talked to the Congress President. She said, "Look, mere accident of change of seat need not necessarily change the policy. If the policy was good, when you were Commerce Minister, the policy is equally good when Mr. Murasoli Maran is the Commerce Minister." And, we lent our support. The CPM opposed even at that time also. So, they are consistent in their opposition. I may not agree with that, but I respect that. The simple short point, which I am trying to drive at, Mr. Chairman, Sir, through you, is that please let us give it a try. Our intention is to try optimal utilisation of all sources of energy. When we are opening the nuclear market, it is not that all the multinational people will come, because these will be, at that point of time, commercial transactions. You will have to apply the application of your commercial mind, commercial judgement. Wherever you will find a cheaper cost-benefit ratio, you will have to be calculative, you will have to go there.

In the other House, I used the word 'passport'. It is some sort of passport. I may like to have a passport in respect of one country, but thereafter I have the facilities of travelling all over the world, depending on getting the visa. It is true and I do entirely agree with Mr. Chandan Mitra, when he says that our scientists did their best to overcome the crisis that we had to face during the sanction regime. I do appreciate it. I salute them. They have done a wonderful job, a yeoman service to the people of this country. But, as a responsible Government, is it not our responsibility, if opportunity comes, to provide them with the opportunity to facilitate so that they can show their talent? There is no denial of the fact. Nobody will disagree on this point, including those who are present in this House, that Indian scientists can do miracle, provided they get the opportunity. But, surely, I would not like to have a situation — this is my most respectful submission to you Mr. Chairman, and to the hon. Members, through you — where, if it is possible for us, we will not explore the possibility, we will not do our best to facilitate our scientists, our technicians, our technologies to have the maximum advantage all over the world. Why our DRDO would still be, in certain activities, under the NTT lease? It is there. It is since 1974 till today. I may like it, I may not like it. I may pass resolutions. I may condemn in the strongest terms. But that condemnation, that using of strong words is not going to help the DRDO come out of the NTT lease. If the sanction is there, sanction is there. This is the ground reality. In the case of Cryogenic Engines, yes, I had to face the problem.

We had to face this problem. Our Light Combat Aircraft Programme has been delayed because of that. But the question is: Why are they doing it? Why did they change it? Why was it not there in 1971? Today, everybody recognises that India cannot be simply sidelined or pushed aside. All over the world, our non-official ambassadors and persons of India origin are carving their own place by their own merit, by their own intelligence, and by their own hard work. You also recognise them. I must give you the credit. You first recognise it. We are following it. It is because of their contribution only. They are also influencing it; it is not something, which happened all of a sudden. If there was a strong bipartisan support in favour of this Agreement in the U.S. Congress, it was not merely because of the efforts of the administration. Yes, administration did its best. President Bush did his best. And, Secretary of State, Condoleezza Rice did her best. From their point of view, they did their best. But the Indians settled in America also made their own contribution. They have a sizeable influence there too. If we have these assets, should we not utilise them? Should we not explore that? This is my small submission to you, Mr. Chairman, Sir.

Another point, which has been, repeatedly, raised is on Iran. There is no denial of the fact, and, we have explained it a number of times also. Don't doubt our sincerity. Yes, we voted once in the IAEA Board against them. And, our intention was to ensure that it does not go to the Security Council because if it goes to the Security Council, and if it adds sanctions under Chapter 7 of the Security Council, the problems would be more. That is why, we tried to see if it could be avoided and have a compromise draft with the European countries. It was there. But, thereafter, we have not done that in the latest voting. We have, in collaboration with Malaysia, Russia, China and with a host of non-aligned countries, taken the correct position. What is that position? I attended the ASEM Foreign Ministers' Conference which took place in last May. Forty-five Foreign Ministers from different parts of the world; 27 of the European Union, Ten Foreign Ministers of ASEAN and about 7-8 from other countries attended it. I myself articulated the views of the Government of India that Iran is an old civilised country. It is a proud nation. We have civilisational links with them. I do not believe that merely by passing sanctions or threatening or hurting their national pride, you will resolve these issues. If these issues are to be resolved, they will have to be engaged, and they will have to be engaged in the appropriate national and international forum, that is, the IAEA. Some improvement has taken place because of all these efforts. In these areas, we shall have to work in collaboration with other countries. We are working on that. It is not necessary that if I have friendship with Mr. Sitaram Yechury, I cannot have friendship with Mr.

Yashwant Sinha. I can have friendship equally with Mr. Sitaram Yechury, Mr. Amar Singh, and Mr. Yashwant Sinha and with everybody. *Vasudaiva Kutumbakam* is our foreign policy. We do not consider anybody our adversary. We are careful and watchful. But, at the same time, we would like to have cordial friendship. Therefore, that is the approach, which we have, and we are having that. And don't doubt it. Don't doubt that whatever we are doing is to be looked at with some sort of suspicion.

You have overcome that stage. In 1977, you had it. That is why you had to give a new nomenclature to the Foreign Policy, to the Non-Aligned Policy. You came out with a formulation in 1977, after coming to power, for the first time, 'Genuine Non-aligned Policy', as if ours was spurious non-aligned policy. And, what was the element of the 'Genuine Non-aligned Policy'? I am a small man, Sir, of less than average intelligence. I could not understand what was the 'genuine non-aligned policy' which was followed between 1977 and 1980. You corrected that. I do agree; you corrected that. Between 1998 and 2003, you corrected that. But don't indulge in it. Simply because you are sitting on the other side of the Chair that whatever you did or whatever you believed when you were in office is to be done or is to be completely negated. That is not the approach because if we ought to live in coalition politics, we ought to be accommodative.

Sir, we have been attacked as to why we did this UPA-Left mechanism. I have no quarrel of inviting Mr. Amar Singh and his party to join us. I will be welcoming it. But, at that point of time, it was decided that if there is a misunderstanding among those who are supporting us, then let us try to sort that out. You know the exercise which you did — I would not like to mention the names; some of you are present here — at your personal level to iron out the differences between the AIADMK leader, Dr. Jayalalitha and the NDA before the first coalition Government, the first NDA Government collapsed. You did your best to iron out the differences. You did not succeed. That is a different issue. But that did not mean that there should be a parliamentary committee to look into it, there should be a parliamentary intervention to sort out the problem between two coalition partners. The arrangement which we are having today — I do not know — depends much on my colleagues, on our capacity to deliver goods. But we are making sincere efforts, sincere attempt to see how we can narrow the differences, how we can iron out the differences which we are having. And, I do hope it would be possible for us to find out the solution.

Sir, we are committed to the Common Minimum Programme. Our Foreign

Policy is independent. If somebody makes some comment, am I to accept it? I have been advised, not directly or by writing letters, but through public pronouncements, that the Non-Aligned Movement is a dead Movement. I also gave the reaction through public, through Press, that Non-aligned Movement is very vibrant. India's belief is firm on Non-Aligned Movement. The South-South Cooperation is absolutely necessary for the economic development and it is one of the important components of the Non-Aligned Movement.

In the decision-making process, there are many stages. Mr. Arun Shourie took the trouble of explaining in details what Condoleezza Rice said, what Nicholas Burns said at the different committee stages. Fine. You do it. You are a very highly educated and knowledgeable person. You know you want to go to the background. But, most respectfully, I would like to submit, when we introduce a Bill in Parliament, Indian Parliament, in our system, it goes to the Standing Committee. The Standing Committee invites evidence from all over the country. People come, depose their evidence; Government officers come and depose their evidence. The Committee listens, analyses, comes to a conclusion and makes its recommendations. The Government scrutinises it and after that when the legislation is passed, after passage of the legislation, who said at what stage in the decision-making is not relevant; what is relevant here is the product of these exercises.

The 123 Agreement is the product. There have been different stages. I don't say that you will be convinced by this argument; I have used this argument on earlier occasions also. But that does not mean that my argument is nullified, unless it is proven who is correct and who is not correct. The taste of the pudding is in its eating. I would like to submit most respectfully that I am repeating what I had said earlier. We are not bound by the Hyde Act. We are bound by the 123 Agreement, which is a bilateral agreement between India and the USA. If it fructifies, if it passes through all these stages, then it would be possible and it would be found in course of time, when it is put into operation, if it happens — I am saying that because there are so many hurdles — then we will know who was correct and who was not. Then we would have established the truth. Many presumptions were made on several issues. I am not going to the other issues which I remember. I had the privilege, fortunately or unfortunately, of being in the Government for quite some time with different Congress Prime Ministers. You have criticised many of our policies, but subsequently, it was established that we were correct and you were wrong. I am not saying that you would be proven wrong this time also, but let us try. We are

sincerely trying. We require energy. We require technology. We want this country develop; nine to ten per cent GDP is absolutely necessary. That is necessary for the *aam admi*, for job, for health, for education, for removal of illiteracy, to have adequate resources, much more than what we can spend today. And if we have one area, I cannot ignore the political compulsions. Today, whether I am here or you are here, you won't be able to pass on the entire buck of the cost of imported energy to the consumer however grumbling the Finance Minister may be. Political wisdom and compulsions will not allow that to happen. Therefore, we shall have to go in for the cost-effective energy. Yes, it is proved; everybody admits that the nuclear energy establishment of the reactors is definitely costly. But the technology is moving ahead. It is advancing. When in this country, we had the first mobile phone, what was its cost, and what is the cost of a mobile phone today? With the advancement of the technology, I would like to submit most respectfully, Sir, that nuclear energy, if it appears to be too costly today, perhaps, it will not appear that costly tomorrow. And let us not confine ourselves only to today. Let us look at the future. Let us look at tomorrow. Thank you, Mr. Chairman, Sir, for giving me this opportunity.

Mr. Chairman: Thank you. Now, the hon. Leader of Opposition wishes to seek a clarification.

The Leader of the Opposition (Shri Jaswant Singh): Mr. Chairman, Sir, it is not my intention at all to reopen or resume the debate that we have had since yesterday. I am very grateful to the hon. The Minister of External Affairs for the very valiant effort that he has made to covering the field in very general terms. I had some specific queries to ask, if only the Prime Minister would do us the courtesy of waiting while I ask clarifications. (Interruptions)

Shri Pranab Mukherjee: I am just informing you. He has a lunch commitment with the former Singapore Prime Minister, Lee Kuan. It is already time and, therefore, he had to rush.

Shri Jaswant Singh: I fully understand, Sir. I am grateful to the hon. Minister of External Affairs to have said this to us. But had the Prime Minister himself got up and said that he has a lunch to go to, the House would not have said, "No, you can't". These are the things... (Interruptions) Because the debate concerns the hon. Prime Minister. This kind of taking the House for granted or offhandedly has intrigued and disappointed us earlier and continues to disappoint us. ..(Interruptions)..

Mr. Chairman: Please, go ahead, Sir. (Interruptions)

Shri Jaswant Singh: Sir, his continued silence other than yesterday..(Interruptions)

Mr. Chairman: Please. ...(Interruptions)..

Shri Jaswant Singh: Sir, as the hon. Minister for External Affairs said, we should not score debating points. I quite agree because the subject is far too important to simply sink to a level of debating points. But there is a very fine verse from the *Ramacharita Manas*,..... Here, I may remind the hon. Minister for External Affairs that he has reinvented the reality of India's Nuclear Policy. It has never been. We have always admitted that it is practically not possible for any Government to have come into office and to have tested the nuclear devices that we tested in 1998. I shall not go into the entire history of the nuclear matter, Sir. But I do wish to correct because that is where the debating point comes in. ..(Interruptions)..

Mr. Chairman: Please, please. Silence please. ...(Interruptions)..

Shri Jaswant Singh: The hon. External Affairs Minister spoke of the then Defence Minister, Mr. Venkataraman. He has written in his biography that the nuclear test was planned. Indeed, he was ready to go down into the borehole to test the entire machinery, etc. Let us not forget that he was the Defence Minister and the party which hon. Pranab Babu has served so admirably and with such great distinction for so many years. Sir, I don't want to pursue it further. The hon. Prime Minister and everybody in the Treasury Benches have said, indeed my senior colleague in the other House, Mr. Advani, has said, that it is important that we take the sense of the House on such an important issue. He himself cited WTO. Don't be in a hurry. I appeal to the Government, wait a bit, convince the House, carry the people and Parliament with you and if you have to have the sense of the House, it is clear since yesterday's debate that a very large part of the House, which may constitute the majority, is not with you and is not convinced. Do make an effort again. What is the hurry to go now to a Republican Government? If you are lauding a bi-partisan support there, why don't you work for a bi-partisan support here? That is the answer. I would be very grateful, Sir, if the hon. Minister would give us a reply to that because I don't see that bi-partisan support just now.

Shri Sitaram Yechury: Thank you, Mr. Chairman, Sir. I compliment the External Affairs Minister for the valiant effort that he has made. But I must

confess that he has left me not fully convinced. So, my opposition to the deal continues. And, I would like to only remind, and only like to remind, Sir, remember, there was a reference yesterday to the visit of former US President Bill Clinton to India and also a reference to the fact that he had arm twisted, that is, US Administration then, arm-twisted more than 30 countries into signing the CTBT, which even we were prepared, India, at that point of time. Well, it did not happen mercifully. That is good. But, nevertheless, when Bill Clinton went back to the United States of America, the US Congress rejected the CTBT, and then Clinton turned around to the world and said, "Yes, I forced you to sign the CTBT, but my Congress rejected it. Therefore, I am sorry. This is democracy at work". If that is democracy at work, Sir, what's sauce for the goose is sauce for the gander. That is an old English saying. So, if that is democracy for the United States, this is democracy for us as well that here, majority of the House does not agree. And, therefore, I think, that in a very honourable way, we can actually tell the world that we are democratic people and we will abide by the democratic values.

So, this is our appeal to the Government.

Shri Amar Singh (Samajwadi Party): Sir, I associate myself with comrade Yechury.

Shri Shahid Siddiqui: Sir, I need a specific clarification...

Mr. Chairman: Please, do not interfere...(Interruptions). Mr. Siddiqui, you don't have the floor...(Interruptions). Will you please resume your place?...(Interruptions). This is not the subject under discussion.

Shri Pranab Mukherjee: Sir, first of all, I would like to respond to the common points which the Leader of the Opposition and Mr. Yechury have made and Shri Amar Singh has also associated himself with Mr. Yechury about the sense of the House and give values to the democracy. Before that, I would like to make one point. I have no intention of joining the controversy, because the period which he has referred, I have great respect for former President, former Defence Minister, Mr. Venkataraman, who was my colleague. I worked with him during 1970s. When he was the Member of the Planning Commission, I was Minister here. In fact, I replaced him as the Finance Minister when he went to Defence. Please, remember, he was the Defence Minister from 1982 to 1984 till he was elected the Vice-President. The Prime Minister of the country was Mrs. Indira Gandhi. Am I to believe that Mrs. Indira Gandhi, under the pressure of the United States of America, succumbed and compelled and gave up the test? I am

leaving it there. Sir, in respect of the sense of the House, we have never said that we will take the sense of the House. Let the process be completed. We have begun the process; the process is not yet complete. Let me complete....(Interruptions). Let me complete. This is most unfortunate that I have listened to them....(Interruptions).

Mr. Chairman: Order, please...(Interruptions).

Shri Pranab Mukherjee: What Mr. Yechury told...(Interruptions)...it is most unfortunate...(Interruptions).

Mr. Chairman: Hon. Members are requested to resume their places...(Interruptions).

Shri Jaswant Singh: Sir, we are walking out.

Shri Sitaram Yechury: Sir, we are also walking out.

Shri Amar Singh: Sir, we are walking out.

(At this stage, some hon. Members left the Chamber)

Shri Pranab Mukherjee: It is most unfortunate that they are running out. If it happened, it happened in the case of CTBT. It is not for the first time that American Senate rejected the proposal of the President. If it rejects the proposal, 123 Agreement, on which I will take the sense of the House, you please tell me, on which I will take the sense of the House, because the Bill does not come. The Bill does not come to exist....(Interruptions). Why are these people making noise? What type of people they are? Therefore, there is no reason. They have no case. They have left. It is for them to decide.

Thank you, Sir.

Mr. Chairman: The discussion on this subject is now concluded.



APPENDICES

CIVIL NUCLEAR ENERGY COOPERATION WITH THE UNITED STATES

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**STATEMENTS OF THE
CONGRESS PARTY**

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APPENDIX - I

Reaction of the Congress Party to the agreement reached between India and the United States on the Nuclear Cooperation.

New Delhi, August 3, 2007.

The main partner in the ruling coalition United Progressive Alliance, the Congress on August 3 described the nuclear deal between India and the United States as a "historic agreement."

Once the deal was cleared by U.S. Congress it would get translated over the next few decades and help in meeting the rising domestic energy requirement, the party said.

Reacting to the 123 agreement, party spokesman Abhishek Singhvi said that both in the national and public interest, "India has extracted the best possible deal.

"The accord came after India was recognised both as a "*de jure* and *de facto*" nuclear power though it had "rightfully" not signed the Nuclear Non-proliferation Treaty.

The Congress would convey its appreciation to Prime Minister Manmohan Singh for his unshakeable faith in the deal though the Opposition cast doubts on the benefits that might accrue to the country.

He said the U.S.' efforts to legally bind India to the self-imposed moratorium on nuclear tests announced by the Vajpayee Government did not find a place in the 123 agreement.

The spokesman congratulated Dr. Singh, UPA Chairperson Sonia Gandhi on her efforts to deal with all constituents of the alliance, the Indian team of skilled negotiators and civil society who had all contributed to the deal.



APPENDIX - II

Paper issued by the Indian National Congress on India's Nuclear Energy Programme and the 123 Agreement with United States.

The nation is witnessing an intense debate on the agreement negotiated between India and United States of America on 'Civilian nuclear energy cooperation', taking forward the process initiated after the Joint Statement of July 18, 2005, when our Prime Minister visited the United States of America.

Inadequate information, cynical criticism and partisan politics have hijacked a mature and informed discussion in Parliament, thereby depriving the people of India their right and the benefit of information. The Indian National Congress - the Party which was in the vanguard of the freedom struggle and having led independent India to unassailable position of strength welcomes the debate. The Congress Party is willing to discuss this and any other issue of critical national import because of its unwavering commitment to a true spirit of democracy.

Any informed discussion must trace India's long and difficult journey to attain nuclear self-reliance. We must recall that the foundations of India's nuclear energy programme were laid in the early 1950's under the visionary leadership of Jawaharlal Nehru, who gave all required support to Dr. Homi Bhabha - the mentor of India's nuclear programme and his distinguished team. From the very beginning, Nehru made it clear that India's nuclear programme would be peaceful and dedicated to energy security. It needs mention that international cooperation was an integral part of this programme and the very first nuclear power station at Tarapur, commissioned in 1963, was with American assistance. The nuclear reactors in Rajasthan and Tamil Nadu followed with Canadian cooperation. Over the years, the international cooperation increased, with India reaching out to Russia, France and other countries.

In October 1964, the explosion of a nuclear device by China raised crucial security concerns and changed the nuclear discourse.

The five nuclear weapon States - USA, the USSR, UK, France and China came together in 1968 to sign a Nuclear Non-proliferation Treaty (NPT). The Nuclear Five, retained the full freedom to act in atomic matters and announced that for all others, nuclear cooperation was to be governed by

'International safeguards.' The world was divided into 'nuclear-haves and nuclear have-nots'. India refused to sign the NPT, describing it as discriminatory. It was a principled position, keeping in view India's security interest which demanded it to retain the nuclear option, if the circumstances so demanded.

In May 1974, India conducted a peaceful nuclear explosion at Pokhran in Rajasthan. This bold decision, could only be taken because of the leadership of Indira Gandhi, who was committed to make India self-reliant. Unfortunately, the world responded unilaterally and abruptly ended all cooperation in nuclear energy. India stood by its scientists who rose to the challenge of building an autonomous nuclear energy programme by using indigenous means and technology.

The USA led the creation of a 45-nation Nuclear Suppliers Group to control the international flow of nuclear raw materials and technology with adverse consequences for a country like India.

In May 1998, India conducted five nuclear tests at Pokhran and announced to the world, that it has acquired nuclear weapons in response to strategic compulsions, linked to weaponisation and nuclear proliferation in its immediate neighbourhood. The credit for making India nuclear capable belonged to the sustained research and development done throughout successive Congress governments. It was also a tribute to the nuclear scientists, who worked in the restrictive regime of denial of technology for over three decades to make that happen. Following Pokhran-II, India declared a voluntary moratorium on future nuclear tests and unveiled "no-first-use" nuclear doctrine, thereby assuring the world, that this credible minimum deterrent was meant for defensive purposes to protect itself from nuclear attack by any adversary.

The Congress Party policy on nuclear issues has been consistent and clear. It was reaffirmed in the Manifesto for the 2004 Lok Sabha elections, which said: "The Congress Party is committed to maintaining a credible nuclear weapons programme, while at the same time evolving demonstrable and verifiable confidence-building measures with its nuclear neighbours. It will take a leadership role in promoting universal, nuclear disarmament and working for a nuclear weapons free world order." At the same time, the Congress Party reiterated its resolve to work towards India's energy security in which all sources - coal, hydro, oil and gas, nuclear and renewables - will have to play an important role.

India's civilian nuclear energy agreement with USA has to be seen in this historical background. The primary objective, is to end India's isolation from the global mainstream and enable the country to participate in full international cooperation in nuclear research and technology. Such an understanding, was required to open the doors of cooperation with the 'Nuclear Suppliers Group', and also to ensure increased access to nuclear fuel and technologies from all countries, especially USA, Russia, France, Canada, Brazil and South Africa, to name a few. That alone will give the desired momentum to India's endeavour for adding more nuclear reactors to generate 20,000 MW of nuclear power by the year 2020, which will constitute 10% of India's power generation. India's energy needs are enormous, given its huge population and the pace of economic and industrial growth. It is therefore important for India to act with vision and foresight for its energy security. As the world is grappling with the threat of global warming and climate change, access to clean source of energy, especially nuclear, becomes imperative. There should be no doubt, that nuclear energy is going to be of increasing importance to India since the country has one of world's largest reserves of 'Thorium.' Its three stage nuclear programme, is, ultimately aimed at using thorium fuel for nuclear power generation. It is important to know that to reach that stage, India needs to set up more uranium fuelled reactors. Although India mines its uranium, it is universal knowledge that its own reserves are limited.

The civilian nuclear energy agreement treats India as a special case, placing it in a unique category, as a State possessing nuclear technology like the US, with both partners having the same benefits and advantages. This is also the first step to end the nuclear apartheid which has shackled India's nuclear research and development and increase electricity generation essential for our economic prosperity. We must remember that more electricity is required for our farmers toiling in the fields to power their pumps sets and irrigate their fields. The people in our villages and those living in urban slums also need power to light up their homes and lives. A responsive Government has embraced a correct approach to meet the genuine needs of its people.

It should be made clear that this agreement has been negotiated between two sovereign States - India and the United States. India has done this as an equal partner. The Government has pursued the negotiations with an unprecedented measure of transparency, which was underscored by three full debates in both Houses of Parliament. The Prime Minister, Dr. Manmohan Singh, had taken into account all apprehensions expressed by

the Opposition or even the supporting Parties and responded to each clarification sought. The Government, had given categorical assurances that any agreement reached will be within the defined parameters, guaranteeing India the right to reprocess, create strategic fuel reserve and access full nuclear cooperation with international community. There has been no departure and all the commitments have been fully honoured.

This agreement is not at the cost of the autonomy of our strategic nuclear programme; our indigenous three state Nuclear Programme and our research and development activities.

This document answers all doubts that have been raised on the Agreement and the unwarranted charges hurled at the Government's intent.

In a democracy there will always be different points of view - we recognize and respect that.

The Congress Party has always believed in evolving a consensus on matters relating to national security and foreign policy. It has protected the sovereignty and integrity of India and defended its right of independent decision making while responding to international developments. It is important to remember that, it was the Congress President's opposition articulated in a letter to then Prime Minister in June 2003 that stopped the BJP led NDA Government from sending Indian troops to Iraq. Let the people not forget that it was during the BJP-led regime that the shameful Kandahar episode took place when India's External Affairs Minister personally escorted dreaded terrorists to their freedom in December 1999. It was again during the tenure of the NDA that the External Affairs Minister engaged in prolonged negotiations with the USA Deputy Secretary of State, Strobe Talbott, without ever taking the Parliament or the nation into confidence.

These are just a few facts to remind the people of how foreign policy was conducted by those who are today questioning the UPA Government's national resolve.

The credit of bequeathing India an independent foreign policy rightly belongs to its architect Jawaharlal Nehru and the Indian National Congress. The Indian National

Congress has throughout placed India's national interest above politics. Any charge of India's strategic and sovereign interest having been compromised is preposterous and therefore deserves to be rejected. The Congress Party, has firmly been and firmly remains committed to defend India's freedom and supreme national interest.

1. Rising Demand for Energy

For a developing country like ours one of the most important constraints on our economic growth is the availability of energy. The consumption of electricity in India is very low since most of our people do not have access to power. As the economy develops and as our incomes rise, the demand for electricity and other forms of energy will increase.

Our farmers know that over the years their demand for energy has gone up. Our farmers need power for their pump sets to irrigate their fields. Many farming operations are now getting mechanized and these machines need electricity. Rural households need electricity. The Government has committed itself under Bharat Nirman and Rajiv Gandhi Vidyutikaran Yojana to ensure complete electricity connectivity across the country.

But it is an unfortunate fact that we are unable to meet this growing demand. Most of our people still live in villages without regular and reliable power supply.

Our cities are also being starved of power. Most jhuggi-jhopris have no power supply at all. Even when electricity connections exist, most people are harassed by power cuts and load shedding.

Hence, a major challenge before us is to increase the supply of electricity in the country. This will allow every one of our households to be lit; it will allow our children to study under proper lighting at home and at school; it will allow our farmers, artisans and workers to use energy as a means of production; it will enable all of us to use electrical appliances that make life easier to live and, it will contribute to industrial development and better infrastructure and more efficient public transport.

2. Strategy to Increase Power Supply

Our Government has been working hard to increase the supply of power in the country. There are many sources of energy supply. The most common means of generating electricity have been the burning of coal (thermal power), tapping the natural flow of rivers (hydro electricity) and burning natural gas and petroleum. Coal, gas and oil are all non-renewable resources. Moreover, burning coal and oil has a harmful effect on environment and contributes to pollution and global warming. Hydro-power is clean but not always green because large dams can destroy our natural habitat and displace people.

Modern science has enabled us to tap energy from renewable natural resources like wind, bio-gas and solar energy. However, these are still limited in their scope and potential. In the future we hope to generate more power from these sources. To develop new and affordable technologies to tap these sources of energy, and develop new clean coal technologies, we have to invest more in research and development and also seek international cooperation.

3. Importance of Nuclear Energy

Modern science has also helped us discover a new source of clean and renewable energy. This is nuclear energy. Our first Prime Minister Pandit Jawaharlal Nehru recognized early that nuclear technology offered a tremendous potential for economic development, especially for a developing country aspiring to leapfrog technology gaps brought about by long years of colonial exploitation. India's indigenous nuclear programme was founded to address the challenge of energy security and attain self-reliance and technological independence.

4. Nuclear Energy is also Clean Energy

Most scientists agree that pollution is contributing to global warming and to climate change. This can hurt agricultural production and harm all living beings on our planet. We must, therefore, reduce pollution that causes global warming. This requires environment friendly energy sources - clean and green energy.

Any means of producing electricity involves some waste and environmental hazard. The nuclear industry is unique in that it is the only energy-producing industry that has taken full responsibility for the disposal of all its wastes and meets the full cost of doing so. Nuclear energy also does not contribute to global warming.

Also the cost of fuel for a nuclear power station is much less than for an equivalent coal fired power station. Electricity from nuclear reactors in many regions is competitive with electricity produced from coal, even after providing for management and disposal of radioactive waste and the decommissioning of reactors. So, nuclear energy will be a clean and an affordable source of energy.

Presently, only three per cent of India's energy needs are met from nuclear sources. India plans to produce 20,000 MWe from the nuclear sector by 2020, increasing from the very low level of 3,700 MWe at present.

Increased share of nuclear power in the Indian energy mix will diminish the reliance on fossil fuels and reduce carbon emissions from India.

Many countries are actively developing nuclear power. It is of particular interest to rapidly growing and populous economies like China and India. No country would want to be too dependent on a single energy source.

Therefore, it is not a question of coal, hydro or nuclear but that we need a combination of various renewable sources of energy to ensure our energy security in years to come.

Indian nuclear scientists also wish to participate in global research projects so that our science and technology can develop. Nuclear science and technology have a high applicability in the field of medicine, in irradiation and storage of food.

Nuclear energy will enable us to meet the twin challenges of energy security and environmental sustainability. It will also have major spin-offs for the development of our industries, both public and private.

The 123 Agreement between India and the United States of America would put an end to technology denial regimes against India that have been in place for three decades and end India's nuclear isolation. It will open the doors for India to have civil nuclear cooperation as an equal partner with the USA and the rest of the world.

5. India-US Agreement on Bilateral Civil Nuclear Co-operation India needs imported uranium to rapidly expand its capacity to generate nuclear energy.

During Prime Minister Manmohan Singh's visit to the US in July 2005, the two countries - India and the US - carried forward an on-going dialogue towards resumption of civilian nuclear co-operation. This dialogue had started in the days of Pandit Jawaharlal Nehru but had been frozen since 1974, when India conducted a peaceful nuclear explosion.

President George Bush told the Prime Minister that he will work to achieve full civil nuclear energy cooperation with India as it realizes its goals of promoting nuclear power and achieving energy security.

President Bush would also seek agreement from the United States Congress to adjust U.S. laws and policies, and the United States will work with friends and allies to adjust international regimes to enable full civil nuclear energy cooperation and trade with India.

For our part, our Government reciprocally agreed to assume the same responsibilities and practices and acquire the same benefits and advantages as other leading countries with advanced nuclear technology, such as the United States. Reciprocally, India agreed to give an assurance that nuclear supplies for civilian purposes would not be diverted to her strategic programme.

Based on this concept, in March 2006, during the visit of President Bush to India, a Separation Plan was agreed upon by the two sides - according to which, India agreed to identify and place under IAEA safeguards 14 of her 22 thermal power reactors between 2006-14 in a phased manner.

In order to be able to enter into such a co-operation with India, the US Administration sought and obtained from the US Congress a legislative waiver from a stipulation in Section 123 of the US Atomic Energy Act of 1954 requiring full scope safeguards as a condition for civil nuclear cooperation.

An enabling legislation, called the Hyde Act, was passed in the US Congress in December 2006, to enable the US Government to cooperate with India. The Hyde Act is only a US law. It is not binding on India. We have entered into only a bilateral Agreement with the US, called "Agreement for Co-operation Between the Government of India and the Government of the United States of America concerning Peaceful Uses of Nuclear Energy."

This Agreement is not at the cost of (i) the autonomy of our strategic nuclear programme; (ii) our indigenous three stage Nuclear Programme; and (iii) our research and development activities. Our Government remains committed to all these.

6. Main Features of the 123 Agreement

1. The Agreement could be a major contributor to our energy security. For India it is critical that we maintain our current economic growth rate of 8 to 10 per cent per annum if we are to achieve the goal of eradicating poverty. Inadequacy of energy supply is one of the primary constraints on accelerating India's growth rate. We are trying to expand all forms of energy production in a manner which takes care of concerns about environment. Nuclear energy is a logical choice in this context and can make a larger contribution to our overall energy mix. At present its share is only about three per cent. We have an ambitious programme to increase our nuclear energy generating capacity to 20,000 MWe by 2020 and double this by 2030. While our domestic three stage programme continues, using our own uranium

resources, this Agreement, by adding additional capacity quickly, would help us to reach that target soon.

2. The Agreement also opens the door for cooperation in civil nuclear energy with other countries. We are already discussing with France and Russia similar bilateral cooperation agreements on civil nuclear energy. Once the NSG adopts an exemption to its Guidelines we hope to operationalize all these agreements.
3. The Agreement places India in a special category as a "State possessing advanced nuclear technology", like the United States, with both parties "having the same benefits and advantages".
4. The Agreement provides for full civil nuclear energy cooperation covering nuclear reactors and aspects of the associated nuclear fuel cycle including enrichment and reprocessing.
5. The Agreement provides for nuclear trade, transfer of nuclear material, equipment, components, and related technologies and for cooperation in nuclear fuel cycle activities.
6. The Agreement contains a full reflection of the March 2, 2006 supply assurances, its linkage to safeguards in perpetuity and the provision for corrective measures in case of disruption of fuel supply.
7. The Agreement provides for the development of a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactors.
8. The Agreement provides for the application of IAEA safeguards to transferred material and equipment. There is no provision that mandates scrutiny of our nuclear weapons programme or any unsafeguarded nuclear facility.
9. The Agreement explicitly provides that it will not affect the unsafeguarded facilities of either party and that it shall be implemented in a manner so as not to hinder or otherwise interfere with any military nuclear facilities or nuclear material produced, acquired or developed independent of this Agreement.
10. The Agreement grants prior consent to reprocess nuclear material, transfer nuclear material and its products. To bring this into effect, India will establish a national reprocessing facility to reprocess safeguarded nuclear material. Consultations on arrangements and

procedures will begin within six months of a request by either party and will be concluded within one year.

11. The 123 Agreement does not affect India's right to conduct nuclear tests in any manner.

7. 123 Will Not Harm Our Nuclear Weapons Programme

Till now India's nuclear installations have not been separated between the military and civil programmes. Thus, when nuclear tests were conducted in 1974, the belief that these were fuelled by nuclear fuel supplied for civil nuclear energy led to sanctions being imposed against India. This resulted in denial of technology, fissile material and related support for our nuclear programme. Our first nuclear power plant at Tarapur, built with US help and based on US uranium supplies, was crippled without uranium supplies. It was a major setback to the three-stage programme as it imposed restrictions on imports of high-technology products, denied access to uranium from the US and other countries, prohibited transfer of nuclear technology-reactors, reprocessing etc. The US, Japan and some other countries imposed economic and financial sanctions -withdrew bilateral assistance and restricted support from multilateral financial agencies like World Bank and International Monetary Fund.

Our nuclear policy has been marked by restraint and transparency. India has maintained effective export controls on nuclear materials as well as related technologies even though we are neither a party of the NPT nor a member of the Nuclear Supplier's Group. India is committed to non-proliferation and the maintaining of stringent export controls to ensure that there is no leakage of our indigenously developed know-how and technologies. In fact, India's conduct in this regard has been better than some countries party to the Nuclear Non-Proliferation Treaty. India has not violated any international agreements and its record on non-proliferation has been unblemished.

Subsequent to the nuclear tests in 1998, the Government worked towards re-engaging countries like US to end India's nuclear isolation, project itself rightfully as a country with advanced nuclear technology and work towards greater international cooperation in areas of high technology and initiate measures to do away with technology denial regimes. The importance of the 123 Agreement is that it allows us to develop our civilian nuclear energy programme without hindering in any way our strategic nuclear weapons programme. The 123 Agreement does not stop India from proceeding further

with her strategic nuclear programme, which will remain separate, her indigenous three-stage programme, and her independent nuclear R&D.

8. Frequently Asked Questions About The India-US Agreement on Civil Nuclear Co-operation

Q. Does the 123 Agreement affect our ability to conduct an independent foreign policy?

A: Our Prime Minister has said categorically that our foreign policy is determined solely by our national interests and that there is no question of India being bound by a law passed by a foreign legislature. Government remains committed to the pursuit of an independent foreign policy which is a legacy of our national movement.

Our foreign policy will be dictated entirely by our national interest and this agreement in no way affects our ability to conduct an independent foreign policy. The 123 Agreement is a voluntary agreement between two equal partners. It states specifically that both India and the US wish to develop cooperation in the civil nuclear energy on the basis of mutual respect for sovereignty, and noninterference in each other's internal affairs. If anything, by contributing to India's energy security, the Agreement will increase our capacity to follow an independent foreign policy and our self-reliance.

Q: Will the 123 Agreement affect India's strategic programme?

A: No. The Agreement, as Prime Minister stated on 13 August 2007 in the Parliament, is about civilian nuclear cooperation. There is no provision in the Agreement which limits India's right to build future nuclear facilities, whether civil or military. On the other hand, the Agreement includes a clause which explicitly ensures that the Agreement will neither be interpreted nor implemented in a manner that would adversely affect our independent and military nuclear activities. This Agreement therefore does not in any way impact on India's ability to produce and utilize fissile material for its current and future strategic needs.

Q: Does the Agreement affect our right to conduct nuclear explosive tests?

A: No. The Prime Minister has stated on 13 August in the Parliament that the Agreement does not in any way affect India's right to undertake future nuclear tests, if it is necessary in India's national interest. A decision to undertake a future nuclear test would be our sovereign decision, one that

rests solely with the Government of the day. There is nothing in the Agreement that would tie the hands of a future Government or legally constrain its options to protect India's security and defence needs.

Q: Will the Agreement have any adverse impact on our indigenous three-stage nuclear programme?

A: Our rights to pursue our three-stage nuclear power programme remain undiluted. The Agreement fully preserves our right to use for our own purposes our independent and indigenously developed nuclear facilities. It also provides for non-hindrance and non-interference in our activities involving use of nuclear material, non-nuclear material, equipment, components, information or technology and military nuclear facilities produced, acquired or developed independently for our own purpose.

Our three-stage nuclear programme holds immense promise for the future. However the thorium-based technology, which would constitute the third stage, would become economically viable over a period of time following sequential implementation. Since our uranium supplies are inadequate we need to source it from elsewhere. While our three-stage programme continues, using our own uranium resources, this Agreement opens the door for international cooperation and would allow us to increase the share of nuclear energy. By separating our indigenous facilities from those that are imported, our own programmes will continue to grow.

Q: Does the Agreement provide for fuel supply assurances for safeguarded reactors?

A: The Agreement provides for US support for an Indian effort to develop a strategic reserve of nuclear fuel in order to guard against any disruption of supply for the lifetime of India's reactors. This is in accordance with the provisions of the Separation Plan of March 2006. The US has also agreed that in case a disruption of fuel supplies occurs, it would jointly convene with us a group of friendly supplier countries, including countries such as Russia, France and the United Kingdom to undertake such measures which would restore fuel supply to India. India also retains its right to take corrective measures in the event of disruption in the supply of foreign nuclear fuel.

Q: The Agreement states that it will be implemented by both sides according to their national laws and regulations. The Hyde Act will be one of the laws which the US will need to follow in implementing this Agreement. How will it then fulfill its assurances?

A: As far as India is concerned we are committed to the terms and provisions of the 123 Agreement only. The 123 Agreement does not mention the Hyde Act anywhere. There is no provision of the Hyde Act in the 123 Agreement which is undesirable from our point of view. The Hyde Act is an enabling legislation to permit the US Administration to negotiate bilateral nuclear cooperation agreement with India. It contained certain extraneous provisions and commitments on US and Indian foreign policy on which our external affairs minister commented, in his statement to Parliament on December 12, 2006: "We have always maintained that the conduct of foreign policy determined solely by our national interests is our sovereign right. We have also been clear that our strategic programme remains outside the purview of these discussions. We will not allow external scrutiny or interference with the strategic programme."

The US Administration has categorically assured that the Hyde Act enables it to fulfill all of the commitments it made to India in the July 18 and March 2 Joint Statements. President Bush has also made it clear while signing the Act on December 18, 2006 that he would consider certain provisions of the Hyde Act as only advisory.

Q: Why is the approval of Parliament not required for this agreement?

A: India follows a parliamentary model, as specified in our Constitution, wherein treaty making powers rest with the Executive. No bilateral treaty and agreement has ever been approved by the Parliament in the past. For instance the NDA Government had come to an agreement with the US called "Next Steps in Strategic Partnership" in January 2004, but this was never even made public. Even a major treaty such as the 1971 Indo-Soviet Union Treaty of Friendship was not brought to Parliament. Despite this, Government has kept Parliament fully in the picture at various stages of our negotiations with the United States.

Q: Does it mean India will have to sign the Comprehensive Test Ban Treaty (CTBT) or the Fissile Material Cut-off Treaty (FMCT)?

A: The Agreement entails no obligations for India to sign CTBT/FMCT. We, however, remain committed to a voluntary, unilateral moratorium on nuclear testing. We are also committed to negotiate an FMCT in the Conference on Disarmament. India is willing to join only a non-discriminatory, multilaterally negotiated, and internationally verifiable FMCT subject to its meeting our national security interests.

Q: What happens to India's stand on Iran?

A: The 123 Agreement is about cooperation for peaceful uses of nuclear energy. It has no reference to any extraneous issue or to India's relations with other countries.

Q: Is it linked to any other issue such as purchase by India of aircraft?

A: The Agreement is not linked to any extraneous commitment or obligation on India's part.

Q: Have the PM's commitment to Parliament been fulfilled?

A: Commitments made by Prime Minister to Parliament, including in his statement to the Rajya Sabha on August 17, 2006 have been fully adhered to.

Q: What happens to our independent three-stage nuclear power programme?

A: India's indigenous three-stage nuclear programme does not get affected by this agreement. Its full autonomy has been preserved.

Q: Does the agreement mean India has to give up its nuclear weapons programme?

A: The agreement does not affect India's nuclear weapons programme in any way. As a responsible nuclear state, India would continue to observe its voluntary moratorium on testing and its policies of credible minimum deterrence and no first use. These policies were enunciated by the NDA Government of Prime Minister Atal Behari Vajpayee.



STATEMENTS OF THE LEFT PARTIES

APPENDIX - III

Press Release of the Communist Party of India (Marxist) on the India - US Nuclear Cooperation Agreement.

New Delhi, July 23, 2007.

The Indo US Nuclear Deal: Changes Not Acceptable

The Indo-US nuclear deal was based on certain assumptions on the Indian side, which were spelt out by the Prime Minister in his statements in Parliament on July 29, 2005, February 27, 2006 and March 7, 2006. The key premises were that this deal would give "full" access to civilian nuclear technology, lift all existing sanctions on dual use technology imposed on India for not signing the NPT, and not limit India's strategic nuclear program. In turn, India had agreed to separate its civilian nuclear facilities from its military ones and place the former under IAEA safeguards. The other provisions in the agreement were that India would maintain voluntarily its moratorium on testing nuclear weapons and work with the US for a Fissile Material Cut off Treaty. The element that was not explicit in the agreement but obviously very much a part of the overall understanding reached between Bush and Manmohan Singh was that if India valued this nuclear deal, it would fall in line with the US's administration's positions on various issues including contentious ones such as Iran.

The CPI(M) had made clear at that time that an attempt to bind India to the US on foreign policy would not be acceptable and had also cautioned the Government on a further shifting of the goal posts while the agreement gets converted to concrete laws and measures. An earlier phase of this shifting of goalposts occurred during the testimony of senior White House officials before Congressional committees in September and November 2005. Whereas the Prime Minister had stressed the separation process would be a purely Indian decision, both Nicholas Burns and Robert Joseph repeatedly stressed that the separation plan had to be "credible", "transparent" etc., implying that the U.S. would have to sign off on it. Secondly, they said India could not expect to sign the same kind of safeguards agreement that the U.S. and other "official" nuclear weapons states had done with the IAEA. Unlike the N-5, India would have to accept safeguards in perpetuity. This flew in the face of the Manmohan Singh government's assurance that what India was accepting through the deal was exactly the same rights and obligations as the N-5, "nothing more, nothing less".

In the final run-up to the proposed enactment of an amendment to U.S. law authorising nuclear sales to India, further attempts are being made to shift the goalposts. The two versions of the Bill as drafted by the Senate Committee on Foreign Relations and the House of Representatives Committee on International Relations that are to be reconciled with each other prior to being passed, contain provisions which are not only a clear departure from the understanding contained in the Manmohan Singh-Bush agreement of July 18, 2005 and the Separation Plan tabled in Parliament, but also seek to permanently lock India's foreign policy to US requirements and subject its scientific research and development capabilities to intrusive inspections by the IAEA and even American inspectors.

It is clear that India's vote on the Iran issue in IAEA has been conditioned by the terms of the deal. Senator Lugar in his opening remarks in the Senate Foreign Relations Committee has approvingly noted "We have already seen strategic benefits from our improving relationship with India. India's votes at the IAEA on the Iran issue last September and this past February demonstrate that New Delhi is able and willing to adjust its traditional foreign policies and play a constructive role on international issues." It is also clear from the provisions of the two Bills that it is not a one-time concession that India is being asked to make in order to get US Laws modified after which it would be free to act, as it would please. While a number of provisions are in the nature of non-binding "sense of the house" clauses, the annual certification and congressional oversight contained in the Draft Bills mean that India risks losing its continued cooperation with the US on civilian nuclear matters if it "displeases" the US administration or the US Congress. If India imports reactors from US and reaches agreement on supply of fuel for its reactors, it would be vulnerable to any cessation of civilian cooperation. The deal therefore will act to compromise India's independent foreign policy. And since the proposed laws state very clearly that if the U.S. suspends supplies to India for any reason it must then push for the Nuclear Suppliers group (NSG) to also similarly restrict trade with India, it is not as if India would have the freedom easily to turn to other vendors in the event of an American-triggered disruption of supplies.

There are also other major shifts in the Bills passed in the above committees from the Manmohan Singh Bush agreement. One major shift is that while it agrees to relax the non-proliferation barriers, this relaxation is limited to only nuclear fuel and reactors. The sanctions on fuel reprocessing, enrichment and production of heavy water continues for *equipment and technologies*.

Let us take the issue of enrichment and fuel reprocessing. They both pertain to the fuel cycle. In the current Bills, Section 6 prohibits exports of equipment, materials or technology related to the enrichment of uranium, the reprocessing of spent nuclear fuel, or the production of heavy water. The Senate version enunciates the need to *further* restrict such equipment and technologies to India, which means that the current sanctions on a host of technologies considered as "dual use" would be still under embargo.

In the NPT, every country that signed the NPT even as a non-nuclear weapon state had a right to the full range of nuclear technologies including the nuclear fuel cycle. All they agree to renounce is the making of nuclear weapons. This of course allows countries to build up nuclear fuel enrichment capabilities for nuclear energy. As the enrichment technology is dual use, it can also be used to enrich uranium not only to fuel grade but also up to weapons grade, therefore developing bomb-making capabilities also. This is the route that India (as a non-NPT signatory) and North Korea (as an NPT signatory) had taken earlier, and that Iran is accused of trying. The US and its allies have been working for some years now to put the nuclear fuel cycle also outside the reach of most countries except a select few such as the Nuclear 5 and Germany, Japan, Denmark, etc. The numbers would be restricted to probably less than 10; and these would be the only countries allowed to have the fuel cycle. While the attempt to introduce such changes in the NPT has failed, the complex scheme of technology controls introduced as a part of the Wassenaar arrangement (countries acting together to limit access to technology in nuclear and missile areas) and various bilateral agreements are elements of this regime.

Bush had stated before his New Delhi visit that India would be the recipient of nuclear fuel but not be a part of countries participating in the enrichment and reprocessing of nuclear fuel. In this view, Iran and India would be no different. If India wants to build such facilities, it will have to do so on its own and would continue to face the existing technology control regime and the consequent embargoes.

India then will have access to nuclear technology but only for the limited purpose of getting fuel and reactors. It will not have access to the full range of technologies -- both nuclear and other dual use technologies. This is certainly a major departure from what the Prime Minister had assured the House that this deal recognises India as an advanced nuclear power and will allow access to full civilian technologies. And it certainly violates the fundamental premise of the July 18, 2005 statement that what the U.S.

would bring to the table in exchange for Indian concessions was "full civilian nuclear cooperation".

There are clauses in the two Bills regarding India agreeing to ban future nuclear weapons tests and capping of its fissile material stockpile. Both these measures would go against India's long held positions that any treaty on nuclear issues should not be discriminatory and impose restrictions on some countries while allowing others untrammelled right to nuclear weapons. Regarding the Fissile Material Cut-off Treaty negotiations, the Government of India, as traditionally held by India and enshrined in the New Delhi Declaration, should make this a part of negotiations for universal nuclear disarmament and not allow new obligations to be put on non-nuclear weapons states when the basic obligation of the nuclear weapon states in the Non Proliferation Treaty to disarm have not been fulfilled.

With the nuclear weapons states having refused to conduct "good faith disarmament negotiations" as per NPT provisions, the only negotiating chips today for the non-nuclear states is that any Test Ban and Fissile Material Cut-off Treaty must be in tandem with the nuclear weapon states giving a time table for disarmament. If they give a further set of concessions to the nuclear weapon states, they have no leverage for getting the nuclear weapon countries to disarm. It is in this context that India should examine whether through a bilateral agreement, it should forgo capabilities and rights that the U.S. and other nuclear weapons states are refusing to do. There is a real danger today of the U.S. actively developing a new range of nuclear weapons including bunker-busters and tactical nuclear weapons. Should India declare a moratorium on tests in such an agreement with the U.S., without the U.S. also agreeing to such a moratorium? The obligations on India and the US cannot be asymmetric and discriminatory in a bilateral agreement when India refused to sign the NPT and also opposed the CTBT and FMCT as discriminatory treaties.

If we take the objective of the Indo-US nuclear deal to be one of allowing export of nuclear fuel and reactors while simultaneously restricting India's fuel cycle capabilities and raising the cost of its strategic programme, then the Deal is different from what the Indian side believes or what the Prime Minister has stated in the Parliament. The agreement, as the Senate and the Congress committees have structured it, will not only put our independent foreign policy under pressure, but also tighten the screws on the Indian nuclear civilian R&D and strategic programmes. Further, many of the current technological embargoes would continue to remain. In the

bargain, India would have conceded a lot more than it would have gained: the gain is only nuclear fuel for the nuclear program and some access to reactor technologies.

The Government side has been talking of the Indo US deal being primarily a deal for the civilian nuclear energy. The Planning Commission's figures indicate that we would reach using the nuclear route a maximum of 10,000 MW of installed capacity by 2015 -- a meagre 5% of our electricity capacity -- and even this would require a considerably stepped up effort, well beyond what we have managed till date. In energy terms, the percentage is even smaller, a meagre 2-3 % of our energy needs will be met by nuclear energy as against 40-45% from the hydrocarbon route. In purely energy terms, giving up the cheap Iran gas route to invest in much more expensive nuclear power, makes little economic sense.

The last few months have shown convincingly that this Deal will not lift existing embargoes on technology, will keep Indian foreign policy a permanent hostage to the US, and impose a host of discriminatory restrictions on the Indian nuclear program. In its current form, the Deal will not be acceptable to the Indian people.

Annexure

Explicit Departures in the Senate and Congress Drafts from the Original Agreement

1. *Prime Minister: India will not compromise its strategic interests.*

A sense of the House resolution states India "has a foreign policy congruent to that of the US, and is working with the US in key foreign policy initiatives related to non-proliferation." ... "such cooperation will induce the country to give greater political and material support to the achievement of US global and regional non-proliferation objectives, especially with respect to dissuading, isolating and, if necessary, sanctioning and containing states that sponsor terrorism and terrorist groups; that are seeking to acquire a nuclear weapons capability or other weapons of mass destruction capability and the means to deliver such weapons."

Further, it states that the US "secure India's full and active participation in US efforts to dissuade, isolate and if necessary, sanction and contain Iran for its efforts to acquire weapons of mass destruction, including a nuclear

weapons capability (including the capability to enrich or process nuclear materials), and the means to deliver weapons of mass destruction."

While these sections are non-binding, taken together with Presidential certification and Congress and Senate approval for the 123 Agreement, imposes serious restrictions on India's independent foreign policy.

2. *Prime Minister's Statement in Parliament: Full co-operation on civilian nuclear technology, which should include the complete fuel cycle.*

Senate: Section 6 prohibits exports of equipment, materials or technology related to the enrichment of uranium, the reprocessing of spent nuclear fuel, or the production of heavy water. The Senate version enunciates the need to further restrict such equipment and technologies to India which means that the current sanctions on a host of technologies considered as dual use would be still under embargo.

3. *Prime Minister's suo motu statement on July 29 last year: "we committed ourselves to separating the civilian and strategic programme. However this was to be conditional upon, and reciprocal to, the United States fulfilling its side of the understandingÖ steps to be taken by India would be conditional upon and contingent on action taken by the United States."*

"Before voluntarily placing our civilian facilities under IAEA safeguards, we will ensure that all restrictions on India have been lifted."

Senate and Congress: There is an annual certification clause that can stop the co-operation. More importantly, India has to negotiate its agreement with IAEA before the final agreement for transfer of civilian technology is passed by the Congress. The current Bills enable the President to propose such a Bill to the Congress and Senate under the Section 123 of the Atomic Energy Act of the US, who have to both pass it for cooperation in civilian nuclear energy to take place.

- a) Section 8 requires annual Presidential certifications (written determination to the Congress) that India is meeting its commitments under the July 2005 Joint Statement, its Separation Plan, New Delhi's Safeguards Agreement and Additional Protocol with the IAEA, the 123 Agreement, and applicable U.S. laws regarding U.S. exports to India. [and also that it is cooperating with the US to prevent spread of fuel enrichment and reprocessing technology to countries that do

not already have "full scale, functioning enrichment of reprocessing plants" (obvious target Iran). So continued good certificate on Iran is a requirement here] The bill is an important step toward implementing the nuclear agreement with India, but is not the final step in the process. This legislation sets the rules for subsequent Congressional consideration of a so-called "123 Agreement" between the U.S. and India. A "123 Agreement" is the term for a peaceful nuclear cooperation pact with a foreign country under the conditions outlined in Section 123 of the Atomic Energy Act.

4. *The March Agreement: US would take necessary steps to change its laws and also align the NSG rules to fulfil the terms of the Indo-US Nuclear Deal.*

Senate: It is now contingent on a unanimous resolution of the NSG on this issue.

"In addition, we require that decisions in the Nuclear Suppliers Group enabling nuclear trade with India are made by consensus and consistent with its rules."

5. *The original agreement talked of an Additional protocol which the Prime Minister's statement made clear was an India Specific Protocol not covered under the protocols for weapon states or non-weapon states.*

In the Congress and Senate reading of the Agreement, they have been made into far more intrusive Model Additional Protocols of IAEA, which are currently, only accepted by some of the countries. India's civilian program will be safeguarded under this Additional Protocol as a non-nuclear weapons state. Under this protocol, IAEA can be used to delve into the past of each of the activities that have gone to build the civilian facilities, effectively allowing others to use IAEA to find out about India's strategic program and also our technology capabilities.

6. *Assurance given by the Prime Minister on March 7, 2006 was that we are placing our facilities in perpetuity as reciprocally US is also guaranteeing fuel supply in perpetuity. In case the US defaults on its fuel supply agreement (as it did in Tarapur), it will ensure that other members of the NSG will take over its obligations.*

The Obama amendment to the Senate Bill passed on June 29, 2006, though a Sense of the House Amendment, states in Section 102(6): "The US should

not seek to facilitate or encourage the continuation of nuclear exports to India by any other party if such exports are terminated under US law." The House Bill goes a step further. In Section 4(d)-3 it states, "If nuclear transfers to India are restricted pursuant to this Act - the President should seek to prevent the transfer to India of equipment, materials or technology from other participating governments in the NSG or from any other source."

7. *In the original agreement, India had agreed to work with the US for a Fissile Material Cut off Treaty (FMCT).*

This is now being used to restrict India's fissile material stockpile. This is also reiterated in the two bills.

Section 103 Declaration of Policy Concerning United States India Peaceful Atomic Energy Cooperation states:

To achieve as quickly as possible a cessation of the production by India and Pakistan of all fissile materials for nuclear weapons and other nuclear explosives devices;

Also the President has to report the efforts it has made with India and Pakistan for "disclosing, securing, capping and reducing their fissile material stockpiles"

8. *In the original agreement, only IAEA safeguards were considered.*

In the Senate Bill, Section 107 End-Use Monitoring Program states that in case IAEA is unable to fulfil its safeguards obligations the President take Measures to ensure all material and its use is in conformity with it declared purpose. This includes physical verification and suitable access to be provided by India to US inspectors.

9. *The military program had no monitoring requirement from IAEA or the US.*

In the Senate Bill, Section 108 Implementation and Compliance, the President to report to the Congress "significant changes in the production by India of nuclear weapons or in the types and amounts of fissile material produced." Further, under the Additional Protocol, an inventory of uranium from the mining section has to be provided to the IAEA.



APPENDIX - IV**Press Statement of the General Secretary of the Communist Party of India (Marxist) Prakash Karat on the nuclear cooperation with the USA.****New Delhi, August 11, 2007.**

The Left parties have been consistently expressing their opposition to the July 2005 joint statement with the United States, which includes the nuclear cooperation agreement. After the Hyde Act was adopted by the United States containing unacceptable conditions, the CPI(M) has been asking the government not to proceed with the negotiations for the bilateral (123) agreement. We do not share the optimism that India can become "a great power with the help of the United States". India is a country endowed with sufficient resources and self-confidence to carve out its own path of development.

The Prime Minister and the government must realise that this agreement is not acceptable to the majority in Parliament.

As far as the approach to the government is concerned, we will take our own counsel.



APPENDIX - V

Press Statement issued by the Politbureau of the Communist Party of India (Marxist) on the India - United States Nuclear Cooperation Agreement.

New Delhi, August 14, 2007.

The Prime Minister's statement¹ in Parliament does not shed any new light on the India US Nuclear Agreement that calls for a re-assessment on our part. He has reiterated his position on the agreement and has not addressed the issues that we have raised.

One of the more important issues raised by the Left right from the beginning is the link that the agreement has had on India's foreign policy. Here, the issue is not what the Prime Minister is saying but what his Government is doing. The Defence Framework Agreement of 2005, the Logistics Support Agreement being negotiated currently, joint naval exercises being planned and the stand on the Iran nuclear issue are there before us. Therefore, it is difficult to agree with the Prime Minister that this agreement has no impact on our independent foreign policy, especially when the US officials are busy selling the agreement to the US Congress on the strategic value of India aligning with the US as a consequence of the agreement.

Apart from the foreign policy, on other matters also the Prime Minister's statement does not address the issues we have raised. Some of these are given below:

1. The Prime Minister, for instance, has said that the annual certification does not find a place in the 123 Agreement, appearing to imply that therefore this clause of the Hyde Act is not being implemented. A simple reading of Constitutional practice of the US would clarify that this Annual Certification is an obligation of the US President, which he is bound to fulfil. That it does not find a place in the 123 Agreement is not relevant. The issue that we have raised is if a "good conduct certificate" is not forthcoming or if the US Congress does not accept the good conduct certificate given (on issues ranging from Iran to anything that may come up in the future) what would be the implications for the 123 Agreement. In our understanding, the US

1. See Document No.....

could terminate the Agreement with all its consequences for our civilian nuclear energy program.

2. The Left Parties statement has explained in detail, why we do not think that life term security for nuclear fuel has been achieved in this Agreement. What we have are assurances while the Hyde Act contains the provisions, which would cut in if the US terminates the Agreement. Under the Hyde Act, if this agreement is terminated, the US would not help India tide over the "disruption" but would be obligated to work with the NSG countries to stop all supplies. This is also the reason that Clause 2.1 makes clear that each party will operate this Agreement in accordance with its the domestic laws, meaning obviously the US and the Hyde Act.
3. On the issue of full access to technology for the fuel cycle, which the Prime Minister had assured the Parliament earlier, it is now clear that this will not be available to India. The Prime Minister has essentially confirmed this; the only concession finally secured is "forward-looking language".
4. The Prime Minister has also emphasised the gains made with regard to the right to reprocess spent US fuel. However, this is only a notional right at present and subject to conditions that may emerge in the future.

The Prime Minister's statement also talks about his belief that the NSG would give unrestricted right to nuclear fuel and technology "the Nuclear Suppliers Group has to agree, by consensus, to adapt its guidelines, we expect without conditions, to enable nuclear commerce with India and to dismantle the restrictions on the transfer of dual use technologies and items to our country". This is the same belief he had expressed in Parliament when he had stated that the US would give full access to civilian nuclear technology, an expectation, which he has now conceded has been belied. We see no basis for his continued optimism in this regard, particularly as the NSG functions on the basis of consensus and the US is supposed to steer the change of Guidelines on our behalf.

The CPI(M) reiterates its stand that the government should not proceed with operationalising the bilateral agreement.



APPENDIX - VI

Press Release of the Communist Party of India (Marxist) on the resolution adopted by its Politbureau.

New Delhi, August 18, 2007.

The Polit Bureau of the Communist Party of India (Marxist) met in New Delhi on August 17 and 18, 2007. It unanimously adopted the following resolution:

The Polit Bureau of the CPI(M) fully endorsed the stand taken by the Left parties on the bilateral agreement on nuclear cooperation with the United States. The statement of the Left parties has set out comprehensively the reasons why the agreement is not acceptable.

The agreement should be seen in the light of the Hyde Act passed by the US Congress and in the context of the wider implications of India being bound into a strategic alliance with the United States and its adverse consequences for an independent foreign policy, sovereignty and the economic interests of the people. The Polit Bureau is of the firm opinion that going ahead with this agreement will not serve India's interests.

Given the widespread opposition to the agreement and the fact that a majority in parliament do not support the nuclear cooperation deal, the government should not proceed further with the agreement.

Till all the objections are considered and the implications of the Hyde Act evaluated, the government should not take the next step with regard to negotiating a safeguards agreement with the International Atomic Energy Agency.

It is for the Congress leadership to decide on the matter which will have serious consequences for the Government and the country.

The Polit Bureau decided to take the issue of the nuclear agreement and the dangers of the strategic alliance with the United States to the people through a nationwide mass campaign.

The Left parties will be meeting soon to discuss all other related matters.



APPENDIX - VII**Press Statement of the General Secretary of the Communist Party of India (Marxist) Prakash Karat rejecting the Bharatiya Janata Party's charge of Left not being serious about their opposition to the Nuclear Cooperation Agreement with the United States.****New Delhi, August 19, 2007.**

The BJP President, Shri Rajnath Singh, has charged the Left parties with not being serious about their opposition to the nuclear deal. He has cited the unwillingness of the Left to join hands with the BJP on the issue to substantiate this charge.

The Left parties opposition to the nuclear cooperation agreement with the United States has been clearly spelt out from the outset in 2005. We do not share the views of the BJP on the matter, since their approach has been to bargain with the United States for a favourable nuclear adjustment while accepting the status of a subordinate ally of the US.

The six-year record of the BJP-led government was infamous for its kowtowing to the US. The Jaswant Singh-Strobe Talbot secret talks, the visit of L.K. Advani to the CIA headquarters and the eagerness of the NDA government to become a "natural ally" of the US to the extent of considering sending Indian troops to Iraq, will not be forgotten by the Indian people.

The CPI(M) is certain not to have any truck with such a pro-imperialist party.



APPENDIX - VIII

Article by General Secretary of the Communist Party of India (Marxist) Prakash Karat in the *Hindu* on the Left Parties opposition to the Civil Nuclear Energy Cooperation Agreement with the United State.

Chennai, August 20, 2007.

The Left parties have called upon the United Progressive Alliance government not to proceed further with the civilian nuclear cooperation agreement with the United States. The bilateral agreement arrived at between the two governments in the end of July 2007 has resulted in a political crisis. At no time has an external agreement negotiated by the Indian government raised such a political storm as the nuclear cooperation deal with the United States. The last time there was strong opposition was during the negotiations for the Marrakesh treaty, which led to the setting up of the World Trade Organisation.

Without going into the complex and technical issues concerning civilian nuclear cooperation, it is necessary to take a wider look at the implications of the agreement. Is this only a nuclear cooperation deal or is it part of a wider agreement? If so, does it protect our capacity for an independent foreign policy and how will it affect our sovereignty? One can legitimately question whether India should partner the United States in the global democracy enterprise. "Regime change" and the implanting of democracy have yielded horrific results in Iraq.

The nuclear cooperation deal is only one part of the wide-ranging alliance that the UPA government has forged with the United States. This was spelt out by the Indian Prime Minister and the American President in the joint statement in July 2005 in Washington. This agreement covers political, economic, military, and nuclear cooperation. This alliance entails not just nuclear cooperation but talks of the two countries promoting global democracy, revamping the Indian economy to facilitate large scale investment by the United States, and a strategic military collaboration.

Prior to the joint statement of July 2005, the UPA government signed a ten-year Defence Framework Agreement with the United States. It is evident that without the defence agreement, the Americans would not have agreed to civilian nuclear cooperation. This seems part of a quid pro quo.

Repeated assertions that India's foreign policy will not be subject to external pressures have not evoked confidence after the Iran episode. Spokesmen for the Bush administration have often cited India's attitude on Iran to be a test. Even before the nuclear cooperation agreement was finalised, the government responded by voting against Iran not once but twice in the International Atomic Energy Agency.

The first serious conflict with the Left arose when the UPA government did a volte-face on the Iran nuclear issue. The government voted along with the U.S. and other Western countries in September 2005 and was not even prepared to go along with the position adopted by the bloc of Non-Aligned Movement countries.

The Left parties have been watching with disquiet the way the UPA government has gone about forging close strategic and military ties with the United States. The Left came out in strong opposition to the Defence Framework Agreement. According to this agreement, India is taking steps to interlock our armed forces with that of the United States in the name of "inter-operability." The framework agreement is leading to various steps like the Logistics Support Agreement and the Maritime Cooperation Pact. The Left has been vehemently opposed to joint military exercises such as the one that took place in the Kalaikunda air base in West Bengal. These exercises were held despite the strong protests of the Left parties and the Left Front government of West Bengal. The years 2005 to 2007 have seen a sharp increase in joint exercises between the two armed forces. This is now being extended to the "quadrilateral" exercises as desired by the U.S. with Japan and Australia in the September naval exercises in the Bay of Bengal.

The United States has been going about stating the obvious strategic and commercial benefits that will accrue from the nuclear deal. Apart from the sale of nuclear reactors, the U.S. is mounting pressure on India for military contracts to purchase fighter planes, naval ships, radar, and artillery. Along with steadily increasing military and security collaboration with Israel, India will find itself entangled in U.S. strategic designs in Asia.

A major reason put forth being made for the nuclear cooperation agreement is that it will help India meet its energy needs. This ignores the very limited contribution that nuclear power makes to our overall energy generation, which is just 3 per cent and cannot exceed 7 per cent even if the ambitious plans for expansion are implemented by 2020. To make India's foreign

policy and strategic autonomy hostage to the potential benefits of nuclear energy does not make sense except for the American imperative to bind India to its strategic designs in Asia.

Owing to the consistent pressure of the CPI(M) and the Left parties who had raised a number of questions regarding the draft legislation before the U.S. House of Representatives and Senate, the Prime Minister gave certain categorical assurances to Parliament on August 17, 2006. At that juncture, these assurances were in line with the concerns raised about protecting the country's interests on the three-stage nuclear programme we have adopted.

However, the situation changed after the U.S. Congress adopted the final legislation to give a waiver for nuclear cooperation with India. This legislation known as the Hyde Act runs contrary to most of the assurances given by the Prime Minister in August 2006. The Act includes provisions imposing restrictions on transfer of technology and barring access to dual use technologies, thus denying India a full nuclear fuel cycle. The U.S. President has to report to the Congress every year on how India is complying with the provisions set out in the Hyde Act. The Act enjoins on the administration the prevention of fuel supplies and equipment from other countries to India if the U.S. terminates the bilateral agreement. The argument that the bilateral text overrides the clause cannot be accepted, as the text also states that "national laws" will prevail. To say that the Hyde Act is not binding to India is irrelevant. The point is that it is binding on the United States.

Outside the sphere of nuclear cooperation, the Hyde Act contains directions on India's foreign policy and other security-related matters. There are nine references to India's role having to be one of support and complicity with U.S. designs on Iran.

After the Hyde Act was adopted in December 2006, the CPI(M) stated that it contained provisions that were contrary to the assurances given by the Prime Minister to Parliament on August 17, 2006. The CPI(M) repeatedly asked the government not to proceed with the bilateral negotiations for the 123 agreement until this matter was cleared up. But the government did not heed this advice. The United States is already moving for another round of sanctions against Iran in the United Nations Security Council. Indian companies have been warned not to export to Iran even non-lethal materials. The Iran-Pakistan-India gas pipeline will not proceed if this nuclear agreement is put in place, despite the government's protestations to the

contrary. It will be unwise and shortsighted for India to spoil its relations with Iran and other West Asian countries, given the vital role these countries play in fulfilling India's energy needs.

When the UPA government was being installed in 2004, a Common Minimum Programme was drafted. When the Left was consulted, we insisted on the deletion of a reference to "strategic relations with the United States." There is no mention of strategic ties with the U.S. in the Common Minimum Programme. But soon after, the government proceeded with forging a wider strategic alliance with Washington.

The Left parties have, after carefully assessing the implications of the 123 agreement, demanded that the government should not proceed further to operationalise the agreement. The objections to the deal have been spelt out in detail in the statement issued by the Left parties. The Left is clear that going ahead with the agreement will bind India to the United States in a manner that will seriously impair an independent foreign policy and our strategic autonomy.

A wise and expedient step for the government will be to acknowledge that there is widespread opposition to the agreement. The question is not whether it should be put to vote in Parliament or not. It is clear that a majority in Parliament is opposed to the agreement. The best course would be for the government not to proceed further with the operationalising of the agreement. Till all the doubts are clarified and the implications of the Hyde Act evaluated, the government should not take the next steps with regard to negotiating the IAEA safeguards, which are to be in perpetuity, and proceed to get the guidelines from the Nuclear Suppliers Group.

The Left parties continue to accord priority to having a secular government and keeping the communal forces at bay. However, this cannot be taken as licence by the UPA government to go ahead with a long-term agreement that has such serious implications for India's independent foreign policy and sovereignty.



APPENDIX - IX

Press Statement of the Left parties on the political situation in the context of India-US Nuclear Cooperation Agreement.

New Delhi, August 20, 2007.

The leaders of the Left parties met on August 20, 2007 at New Delhi. They discussed the political situation prevailing since the Indo-US bilateral nuclear cooperation agreement. They have issued the following statement:

1. The Left parties reiterate their stand taken on August 7, 2007 that in view of the widespread opposition to the agreement and the fact that a majority in Parliament is against it, the government should not proceed further with the agreement.
2. The Left parties wish to state that this would require not taking the next step of negotiations for the safeguards agreement with the International Atomic Energy Agency.
3. The Left parties can understand the setting up of a committee or any other mechanism which can go into the objections regarding the agreement and evaluating the implications of the Hyde Act for the nuclear cooperation deal. But this can follow only when the next step at the IAEA is not taken.
4. The Left parties appeal to all the parties in the UPA to see the reasonableness of the stand taken which is fully in the spirit of our parliamentary democracy and the government's commitment to the country's welfare. The Left parties await the response of the Congress leadership and the UPA to their proposal.

Sd/-

Prakash Karat

A.B. Bardhan

Debabrata Biswas

Abani Roy



APPENDIX - X

Resolution adopted by the Central Committee of the Communist Party of India (Marxist) on the Civil Nuclear Energy Cooperation with the United States.

New Delhi, August 23, 2007.

The Central Committee of the CPI(M) fully endorsed the stand taken by the Polit Bureau that the bilateral agreement negotiated with the United States administration will bind India into a strategic alliance with the United States with long term consequences.

The Central Committee also considers the nuclear deal, as it exists, subject to the provisions of the Hyde Act which are binding on the US administration.

The Central Committee noted the various objections and apprehensions voiced by scientists, public figures and intelligentsia on the nuclear deal. Above all, it is a fact that the majority of the members of Parliament are opposed to the agreement.

This alone should make the government pause and not proceed further with the next steps to be taken to operationalise the deal. It is incumbent on the government, which commands a majority in Parliament only with the support of the Left parties, to heed the voices of opposition. It should examine the objections and clear the implications of the Hyde Act.

The Central Committee does not want the current crisis to affect the government. However, this is contingent upon the government not proceeding further with the agreement. The Central Committee, therefore, authorises the Polit Bureau to take whatever necessary measures to see that the agreement is not operationalised.

The Central Committee decided to take the issue of the Indo-US strategic relations, of which the nuclear agreement is a part, to the people through a mass campaign along with the Left parties. The way the tie-up with the United States is affecting the various policies which affect the people's livelihood, economic sovereignty and independent foreign policy will be highlighted in this campaign.

The CPI(M) and the Left parties will conduct this joint campaign from September 4 to 8 all over the country coinciding with the two jathas which are taking place in the same period against the joint naval exercises.

Further, the Central Committee decided that the Party must conduct its own independent campaign till the 15th of September.



APPENDIX - XI

Announcement of a 15-member Committee of the UPA and Left Parties to look into the Civil Nuclear Energy Cooperation Agreement with the United States.

New Delhi, September 4, 2007.

On September 4 night composition of a key committee, to be headed by External Affairs Minister Pranab Mukherjee, to look into the concerns of the Left parties on the Indo-US civil nuclear deal was announced.

The committee will have 15 members, six each from the Congress and Left parties and one each from UPA constituents RJD, DMK and the NCP.

Mr. Mukherjee will be the convenor of the committee while his senior cabinet colleagues A K Antony, P Chidambaram, Kapil Sibal, Saifuddin Soz, Prithviraj Chavan, Lalu Prasad of RJD, T R Baalu of DMK and Sharad Pawar will be the other members.

Left parties will be represented by Prakash Karat, Sitaram Yechury (CPI-M), A B Bardhan and D Raja (CPI), Debabrata Biswas (Forward Bloc) and T J Chandrachoodan of RSP.

(The Setting up of the committee last week was announced preventing a precipitate action by the Left parties which had rejected the nuclear deal and warned the government of serious consequences if it went ahead with operationalising the agreement.)

Announcing the committee on August 30th to address the concerns expressed by the Left, it was said that "the agreement will be operationalised taking into account its findings, a formulation open to varied interpretations".

The committee would go into certain aspects of the 123 bilateral agreement, implications of the Hyde Act on the deal, and self-reliance in the nuclear sector and the implications of the nuclear agreement on foreign policy and security cooperation.



APPENDIX - XII

Open Letter from the Central Committee of the Communist Party of India (Marxist) to the Members of Parliament regarding Indo-US Nuclear Cooperation.

New Delhi, September 8, 2007.

Dear Member of Parliament,

The Indo-U.S. bilateral agreement on nuclear cooperation has raised a number of issues which are of vital importance to the nation. Through this open letter we wish to place before you the considered views of the Communist Party of India (Marxist).

Ever since the Joint Statement issued in July 2005 during the Prime Minister's visit to Washington in which the civilian nuclear cooperation agreement was announced, there has been a debate in the country about the merits of such an agreement. Political parties, nuclear scientists, the media and concerned citizens have been expressing their views. Parliament has also discussed the agreement at various stages. However, the current debate is crucial as the bilateral text has been finalised and the Government is planning to take the next steps to operationalise the agreement.

It is our contention that the nuclear cooperation agreement should not be seen in isolation from the overall context of India-US strategic relations, its impact on our foreign policy and our strategic autonomy. Further, the nuclear cooperation agreement must be seen in the context of our energy security, access to technology and the development of the three stage nuclear programme.

The bilateral "123" agreement has also to be seen also in the light of the assurances given by the Prime Minister in his statement to Parliament on 17 August 2007.

The Left parties have asked the Government not to proceed with the next steps to be taken to operationalise the agreement.

Implications of the Hyde Act

Members of Parliament will recall that in August 2006, there was a debate on the draft law being discussed by the US Senate and the House of Representatives to amend the US Atomic Energy Act of 1954 to give

exemption for the proposed nuclear cooperation agreement with India. The two draft legislations before the House of Representatives and the Senate contain many provisions which were detrimental to India's interests.

The Prime Minister had given certain categorical assurances on the points raised regarding this draft legislation. The nine points which the Left parties had raised were covered by the Prime Minister's statement. However, subsequent to that, the Hyde Act (Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act" was adopted by the US Congress in December 2006.

Many of the provisions of the Hyde Act go contrary to the assurances given by the Prime Minister in August 2006. What are these?

- Under the terms set out by the Hyde Act, it is clear that the Indo-US nuclear cooperation would not cover the entire nuclear fuel cycle. It denies cooperation or access in any form whatsoever to fuel enrichment, reprocessing and heavy water production technologies.
- The denial extends to transfer of dual use technology and covers items which could be used in fuel enrichment, reprocessing or heavy water production facilities. Thus, dual use restrictions remain on technology transfers to India. Hyde Act section 102 (13) states, "The US should not seek to facilitate or encourage the continuation of nuclear exports to India by any other party if such exports are terminated under US law".
- Section 103 (a)(6) of the Hyde Act says US policy shall be "Seek to prevent the transfer to a country (India, in this case) nuclear equipment, materials or technology from other participating governments in the NSG or from any other source if nuclear transfers to that country (India, in this case) are suspended or terminated pursuant to this title (Hyde Act), the Atomic Energy Act of 1954 or any other US law".
- The Act concerns itself with areas outside nuclear cooperation and contains objectionable clauses to get India to accept the strategic goals of the United States. These issues are:
- Annual certification and reporting to the US Congress by the President on a variety of foreign policy issues such as India's foreign policy being "congruent to that of the United States" and specifically India joining US efforts to isolate and put sanctions against Iran [Section 104g(2) E(i)]

- Indian participation and formal declaration of support for the US' highly controversial Proliferation Security Initiative including the illegal policy of interdiction of vessels in international waters [Section 104g(2) K]
- India conforming to various bilateral/multilateral agreements to which India is not currently a signatory such as the US' Missile Technology Control Regime (MTCR), the Australia Group etc [Section 104c E,F,G]
- It is on the basis of the Hyde Act that the United States has negotiated the bilateral "123" agreement with India. Some of the harmful provisions of the Hyde Act are reflected in the bilateral agreement.
- The bilateral agreement, while superficially using the original wording of the joint statement of 2005, "full civilian nuclear cooperation" actually denies cooperation or access in any form whatsoever to fuel enrichment, reprocessing and heavy water production technologies. The statement of intent in the agreement that a suitable amendment to enable this access may be considered in the future has little or no operative value.
- Further, this denial (made explicit in Art 5.2 of the agreement) also extends to transfers of dual-use items that could be used in enrichment, reprocessing or heavy water production facilities, again a stipulation of the Hyde Act. Under these terms, a wide range of sanctions on a host of technologies would continue, falling well short of "full civilian nuclear co-operation".
- It is also important to recognise that the fast breeder reactors under this agreement would be treated as a part of the fuel cycle and any technology required for this would also come under the dual use technology sanctions. This would be true even if future fast breeder reactors were put in the civilian sector and under safeguards. Thus, India's attempt to build a three-phase, self-reliant nuclear power program powered ultimately by thorium would have to be developed under conditions of isolation and existing technology sanctions.
- Another key assurance that had been given by the Prime Minister was that India would accept safeguards in perpetuity only in exchange for the guarantee of uninterrupted fuel supply. While the acceptance on India's part of safeguards in perpetuity has been spelt out, the linkage of such safeguards with fuel supply in perpetuity remains unclear.

The assurance that the United States would enable India to build a strategic fuel reserve to guard against disruption of supplies for a duration covering the lifetime of the nuclear reactors in operation appears to have been accepted in the agreement. However, whether the fuel supply will continue even after cessation or termination of the agreement depends solely on the US Congress. The Hyde Act explicitly states that the US will work with other Nuclear Suppliers Group (NSG) countries to stop all fuel and other supplies to India if the agreement is terminated under US laws. Since this agreement explicitly incorporates domestic laws, it appears that fuel supply from the US will not only cease in case the US decides to terminate the Agreement but they are also required under the Hyde Act to work with NSG to bar all future supplies. The clause 5.6 on disruption of supplies therefore seems to be limited to "market failures" and not to cover a disruption that takes place under the clauses of the Hyde Act. In such an eventuality, the US will have to pay compensation to India but all future fuel supplies would stop. Therefore, the 123 agreement represents the acceptance of IAEA safeguards in perpetuity for uncertain fuel supplies and continuing nuclear isolation with respect to a substantial amount of technological know-how.

The Hyde Act and Supremacy of National Law

The government has asserted that the Hyde Act is not binding on India. The relevant issue is that it is binding on the United States and this has been repeatedly stressed by US spokespersons.

Article 2 (1) of the 123 Agreement states, "The parties shall cooperate in the use of nuclear energy for peaceful purposes *in accordance with* the provisions of this agreement. Each party shall implement this agreement in accordance with its respective applicable treaties, national laws, regulations, and license requirements concerning the use of nuclear energy for peaceful purposes".

If the argument is that the reference to national laws is simply the case of binding towards the law, that will have a bearing on the conduct of different transactions under the 123 agreement, then what do we make of the reference to national laws in other places in the 123 agreement?

Thus, for instance, Article 5 (6) (a) in part states that "As part of its implementation of the July 18, 2005, joint statement the United States is committed to seeking agreement from the US Congress to *amend its domestic laws...*to create the necessary conditions for India to obtain full

access to the international fuel market.....". Article 5(6) (b) (i) states that "The United States is *willing to incorporate assurances* regarding fuel supply in the bilateral US-India agreement on peaceful uses of nuclear energy under Section 123 of the US Atomic Energy Act, which would be submitted to the US Congress". These clauses show that the need for conformity with "national laws" is not superfluous. If there is no direct reference to the Hyde Act in the 123 agreement, it is simply because and this is worth reiterating that the Hyde Act is the 'Act to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India'.

Nuclear Power and Energy Security

It is said that the Indo-US nuclear deal is central to our future electricity and energy requirements. At present, nuclear power generation capacity in India stands at 4,120 MW which is a little less than 3 per cent of our installed capacity of all power plants. One reason has been the nuclear isolation imposed on us resulted in the slow development of our civilian nuclear energy programme. However our scientists overcoming many hurdles did very well in indigenising the Pressurised Water Reactors, and then developing it further to 540 MW. The next stage is the fast breeder reactors, in which the Indian scientists are leading the world. The planned three stage nuclear programme would depend largely on technologies based on fast breeder reactors, and in the future, thorium as fuel. This programme requires far less uranium and lower dependence. Instead, the imported reactor route would focus much more on Light Water Reactors, which require much more uranium and are more expensive. Thus even the technology being offered will not necessarily be the best choice for India. Significantly, the mainstay of our nuclear power program - the fast breeder reactors - will still be under technology sanctions, as they would be considered a part of the fuel cycle.

The other reason is the techno-economics of nuclear power and its relatively high cost. Nuclear power plants are about 50% per cent more expensive, even when using domestic technology and equipment. If imported reactors for nuclear power are considered, the situation becomes worse: it will cost about three times as much to set up nuclear plants with imported reactors than coal based ones. It will also cost twice as much per unit - Rs. 5.10-5.50 as against Rs. 2.50 from coal fired plants.

According to the Planning Commission's study, the most optimistic scenario of nuclear power is 15,000 MW by 2015 and 29,000 MW by 2021. These

targets includes 8,000 MW of imported reactors. Even then, nuclear energy will only add up to about 7 per cent of our total installed capacity.

Going ahead with such an ambitious power programme dependant on imports will come at a high cost and will dry up investments in other sectors. Interestingly enough, nuclear power is not the energy of choice for most advanced countries. The US itself has commissioned its last reactor in 1996! Members of Parliament may recall the fiasco of Enron and its Dabhol power plants.

Implications for Foreign Policy and Strategic Autonomy

The United States does not see the nuclear cooperation agreement as a stand-alone. It is part of American design to try in India a wide ranging strategic alliance which will adversely affect the pursuit of an independent foreign policy and our strategic autonomy. The facts speak for themselves.

Two weeks prior to the joint statement which announced the Indo-US nuclear cooperation agreement, India signed a ten-year Defence Framework Agreement with the United States in June 2005. This is being cited by the Bush administration as India's commitment to cooperate with the United States furthering its strategic interests in Asia.

- Two months after the nuclear cooperation agreement was announced in September 2005, India voted against Iran in the International Atomic Energy Agency, contrary to its stance earlier that Iran, as an NPT signatory, has every right to develop its nuclear technology for civilian purposes.
- This was followed by a second vote against Iran in February on the eve of President Bush's visit to India.
- Nicholas Burns, US Under Secretary of State, in his "On record briefing" after the finalisation of the 123 agreement said on July 27: "And I think now that we have consummated the civil nuclear trade between us, if we look down the road in the future, we're going to see far greater defence cooperation between the United State and India: training; exercises; we hope, defence sales of American military technology to the Indian armed forces." The United States is exercising tremendous pressure on India to buy a whole range of weaponry including the 126 fighter planes, radar, helicopters, artillery etc. worth multi-billion dollars.

Is the nuclear cooperation agreement going to bind India with the United States in a relationship which goes contrary to our cherished goals of national sovereignty and independent foreign policy and an economic development based on the priorities of our people?

The objections and the apprehensions raised by the Left parties and other parties, organisations and concerned scientists and citizens need to be examined before proceeding further. All we are asking the government to do is not to rush through with the next steps which are necessary to operationalise the deal.

We hope that you, as a Member of Parliament, which is the sovereign representative institution of the Indian people, will seriously consider these issues on this vital matter affecting our country's future.



APPENDIX - XIII

Extract from the Press Statement issued by the Central Committee of the Communist Party of India (Marxist) on the Civil Nuclear Cooperation Agreement with the United States.

Kolkata, October 1, 2007.

Press Communiqué

(The Central Committee of the CPI(M) met in Kolkata from September 29 to October 1, 2007. It has issued the following statement)

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The Central Committee heard a report from the Polit Bureau on the developments regarding the Indo-US nuclear deal. The Central Committee reiterated the stand adopted unanimously by it in its August 22-23 meeting which asked the government not to proceed with taking the next step of negotiating the text of a safeguards agreement with the International Atomic Energy Agency. The UPA-Left Committee on the nuclear issue is examining the various aspects of the Hyde Act and its implications for foreign policy and security related matters.

The UPA government should not proceed further on the next steps with regard to the nuclear deal till it can be discussed in the Winter session of parliament.

The Central Committee authorized the Polit Bureau to take appropriate measures to see that the Central Committee's stand is implemented.

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APPENDIX - XIV

Press Statement issued by the Left parties on the India – US Civil Nuclear Energy Agreement.

New Delhi, October 8, 2007.

The Left parties categorically reiterate that the nuclear deal with the United States is against the interests of India. Those who advocate the deal should know that India is capable of developing nuclear energy primarily on a self-reliant basis. We need not surrender our vital interests to America on this plea.

Sd/

Prakash Karat, General Secretary, CPI(M)

A.B. Bardhan, General Secretary, CPI

Abani Roy, Secretary, RSP

Debabrata Biswas, General Secretary, AIFB



**STATEMENTS OF THE
BHARATIYA JANATA PARTY**

APPENDIX - XV

Press Statement issued by Bharatiya Janata Party leaders Yashwant Sinha and Arun Shourie containing the preliminary comments of the Bharatiya Janata Party on Indo-US nuclear deal.

New Delhi, August 4, 2008.

The BJP has been expressing its reservations regarding the Indo-US nuclear deal from the very beginning. When the Joint Statement was issued at the end of the visit of Prime Minister Manmohan Singh to Washington in July 2005, Shri Vajpayee issued a statement in which he expressed his reservations about the deal, specially with regard to its impact on our strategic nuclear programme. He had expressed his apprehension at the proposed separation plan of our nuclear facilities between civilian and military. Later, when the separation plan was presented to Parliament, we expressed our opposition to it. We warned the Government of India when the Senate Foreign Relations Committee and the House International Relations Committee of the US Congress adopted the draft bills for enabling this cooperation between the two countries. We protested strongly when the Hyde Act was passed by the US Congress. We have consistently opposed the deal in Parliament whenever discussions on this deal have taken place.

None of our fears and apprehensions was ever given serious consideration by the Government of India. No effort was ever made by it to evolve a national consensus on this vital issue of national concern before making commitments to the US.

The text of the bilateral 123 Agreement has been made public on Friday, August 3, 2007. We have looked at the text and our preliminary comments are as follows:

- (i) Each party is required to implement this Agreement in accordance with its national laws and regulations and its licence requirements. There is no doubt, therefore, that the implementation of this Agreement shall be governed by the provisions of the Hyde Act of 2006, the US Atomic Energy Act of 1954, which are its national laws on this subject, and its licensing requirements relating to the supply of nuclear materials to India {article 2(1)}. The confidence with which US officials have asserted that the Agreement is Hyde act bound flows from this provision. Which act will India enforce on the US?

- (ii) The Agreement is supposed to lead to full civil nuclear cooperation between the two countries yet article 2(2)(d) talks of cooperation relating to "aspects of the associated nuclear fuel cycle". Aspects mean parts and hence all aspects of the nuclear fuel cycle are not covered under this Agreement.
- (iii) According to article 5(2) of the Agreement sensitive nuclear technology, heavy water production technology, sensitive nuclear facilities and major critical components of such facilities can be transferred to India only after an amendment to this Agreement has been carried out. The provision for such transfer should have been included in this Agreement itself instead of leaving it to a future amendment. It is a peculiar arrangement. Under the same provision, the US will retain the right of end-use verification of all its supplies. This will ensure that American inspectors will "roam around our nuclear installations", a fear which was completely discounted by the Prime Minister while replying to the Rajya Sabha debate on 17.8.2006.
- (iv) As far as fuel supplies are concerned, the commitment of the US in the Agreement is vague and futuristic. "The US is committed to seeking agreement from the US Congress to amend its domestic laws". This assurance in article 5(6)(a) of the Agreement and the assurances contained in article 5(6)(b) of the Agreement is not only bad drafting but deliberately repeats an old assurance given by the US at the time of the separation plan and remains as evasive as it was then. According to article 5(6)(c), the India specific Safeguards Agreement with the IAEA is to be negotiated on the basis of these evasive assurances and requires India to place its civilian nuclear facilities under safeguards in perpetuity.
- (v) India is required under this Agreement to establish a new national reprocessing facility dedicated to reprocessing safeguarded nuclear material under IAEA safeguards. If it is an agreement between two equal parties with reciprocal commitments, is the US accepting a similar provision for its reprocessing facilities? Is any such facility being created in any country belonging to the Nuclear Five?
- (vi) Following the cessation of cooperation under this Agreement either party shall have the right to require the return by the other party of any nuclear material, equipment, non-nuclear material or components transferred under this Agreement and any special fissionable material

produced through their use. {article 14(4)} Thus, notwithstanding the sugar-coated language which has been used in the Agreement to soften the blow, the fact remains that the US retains the right to recall all the supplies that it has made to India under this Agreement. What is worse is that under article 16(3) despite the termination of this Agreement, the safeguards in perpetuity will continue to apply so long as any material or equipment or any of the by products thereof remain on Indian soil.

Clearly, therefore, with regard to fuel supplies, reprocessing rights and the right to recall the equipments supplied, the US has maintained its position as in the Hyde Act. India, on the other hand, has accepted legally enforceable commitments in perpetuity.

There is nothing in the Agreement regarding the reprocessing of the spent fuel of Tarapur which has accumulated over the last 33 years.

Nuclear testing has not been mentioned in the Agreement. According to the Government of India this is a matter of great comfort for us. This view is entirely untenable. When national laws apply, which includes the NPT, the provisions of the Atomic Energy Act of 1954 and the Hyde Act of 2006 which specifically forbid nuclear tests, where is the question of India having the freedom to test once we enter into this agreement? In other words, we are being forced to accept a bilateral CTBT with more stringent provisions than the multilateral CTBT.

In his very first statement in 2005, Shri Vajpayee had raised the issue of the financial cost of separation of our facilities between civilian and military. The Government of India has kept mum on this. To this cost has now been added the cost of setting up a dedicated reprocessing facility, the cost of holding strategic fuel supplies for the life time of all our future reactors and the cost of mammoth and intrusive IAEA inspections.

In the separation plan prepared under the surveillance of the US, two thirds of our reactors will be put in the civilian category under safeguards. The recently refurbished CYRUS reactor will be shut down. In course of time, 90% of our reactors will be in the civilian category. In the ongoing negotiations in the Committee of Disarmament in Geneva, we have agreed to work together with the US for the early conclusion of the FMCT. We appear to have given up our insistence on international verification and all countries complying. All these, along with the intrusive provisions of the Hyde Act are bound to have a stultifying effect on our strategic nuclear programme.

The BJP is of the clear view that this Agreement is an assault on our nuclear sovereignty and our foreign policy options. We are, therefore, unable to accept this Agreement as finalised.

We demand that a Joint Parliamentary Committee be set up to examine the text in detail; that, after it has submitted its report, parliamentary approval be secured before this deal is signed; and that all further action on it should be suspended until this sequence is completed. The manner in which this agreement has been pushed through, leads us to further demand that appropriate amendments be made in the Constitution and laws to ensure that all agreements which affect the country's sovereignty, territorial integrity and national security shall be ratified by Parliament¹.



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1. However there was a discernable shift in the BJP's position when on August 26 BJP Leader of the Opposition in the Lok Sabha L. K. Advani told the *Indian Express* in Hyderabad that there was no disagreement on the nuclear deal per se and as such there was no problem with the 123 agreement subject to certain steps being taken. However he did add that the proposed nuclear deal in the present form was an agreement between "unequals" and the BJP objected to such "strategic subservience". "We have always felt that India's nuclear deterrence is imperative in the national interest. It is, therefore, that we have firmly resisted becoming part of the non-proliferation regime, which is what the nuclear deal seeks to impose on us," he said. But he made it clear that if the UPA government could bring an amendment in the Atomic Energy Act to protect India's strategic independence then "there is no problem with the 123 Agreement." Mr. Advani said his party has pleaded that international agreements which impinge upon India's strategic independence or territorial integrity should be ratified by Parliament and an amendment to this effect must be made in the Constitution. He said it was his party which supported the UPA government on the vote against Iran at the IAEA as it did not want any other country in the neighbourhood to become a nuclear power. "Whatever that we do in the field of foreign policy has to be our choice... We regard it as odd that the American Hyde Act should be speaking about India's attitude towards Iran," he said. According to Advani, the 123 Agreement between US and China stipulates that it overrides all national laws. But the 123 Agreement with India, he said, says that its implementation is subject to national laws "As a party that has always stood for national interests, we are in favour of amending the Atomic Energy Act which will ensure that all our efforts to get nuclear fuel for our reactors and our independent strategic policy (nuclear weaponisation) will not be affected," he said.

APPENDIX - XVI

Press Release of the Bharatiya Janata Party regarding the call by its President Rajnath Singh for Solidarity on Issues of National Importance by going beyond Ideological Differences.

New Delhi, August 18, 2007.

BJP National President Shri Rajnath Singh today said that the time had finally come when the Left Front parties with complete honesty would need to walk the talk and match words with actions. Shri Rajnath Singh said that it was indeed ironical that while on the one hand the nuclear deal with the United States had been concluded by the government, the Left Front parties despite making their opposition known in strong words, had not supported the opposition parties demand for a discussion in Parliament under Rule 184 which entailed voting.

Shri Rajnath Singh criticized the hypocritical stand of the Left Front parties for indulging in another round of pretentious shadow boxing with the government. Over the last three years the Left Front parties have clearly shown that they are only willing to engage in high decibel verbal duels with the government without displaying the resolve to strike. It was high time that the Left Front parties stopped performing the role of an opposition party and simultaneously enjoy the benefits of power, he added.

Shri Rajnath Singh said that the people of the country expected Shri Prakash Karat to answer the question that "if the nuclear deal is against the nation, then will the Left Front parties now allow this government to continue functioning?" **The Left Front Parties should decide between the trappings of power and the interest of the nation, he said.**

The BJP President said that the entire mood in the country was against the deal. All opposition parties and the Left Front had also clearly indicated that there was **no national consensus or broad political acceptability on the Indo-US nuclear deal in its present form** which would not only bind but also compromise the long term strategic interests and independence of the country.

Shri Rajnath Singh pointed out that ideological differences cannot be larger than the nation. If the Left Front parties honestly and genuinely believed that the Indo-US Nuclear Deal was not in the interest of the nation, then a time had come for all parties to go beyond ideological differences and display

solidarity against the government on issues of national importance by taking the matter to its logical end.



APPENDIX - XVII

Press Release of the Bharatiya Janata Party containing remarks of Leader of the Opposition in the Lok Sabha L. K. Advani in regard to the Indo-US Nuclear Agreement at the BJP Parliamentary Party Meeting.

New Delhi, August 30, 2007.

My interview* with the *Indian Express* at Hyderabad¹ about the Indo-US Nuclear Deal is sought to be projected as the party's u-turn from its earlier position. Actually it was intended to clarify how the BJP's opposition to the agreement stems from considerations of pure national interest, and not from any kind of anti-Americanism which may be motivating the leftist parties.

The position of the BJP on this vital question has been stated consistently and unambiguously in a series of statements over the last two years. Each of the statements has been fully deliberated upon and approved by the senior most leaders of the party under the guidance and in the presence of Shri Atal Bihari Vajpayee. These are the statements that my colleagues, Yashwant Sinha and Arun Shourie were asked to release to the media. These statements embody the Party's considered view on every aspect of the deal. There is no change in that position.

In my interview, I sought to emphasise that the provisions of the Hyde Act militate against India's sovereignty - in particular, in regard to the conduct of our foreign policy. When enforced, they will seriously impair our nuclear weapons programme, and thereby jeopardize our strategic objectives.

The 123 Agreement is the first step towards operationalizing the Hyde Act, and other US laws. Several of the requirements of those laws have been built into the 123 Agreement. Moreover, the Agreement specifically provides that, in implementing it, the party concerned - the US in this case - shall be

1. Please see footnote to Appexdix-xv.....

governed by its national laws. Hence, provisions of the Hyde Act and other relevant laws shall apply with full force.

These facts are indisputable - and just as unacceptable. They push the country not into a 'strategic partnership' with the USA but a 'strategic subservience' to the USA, which the BJP cannot accept.

A suggestion has been made recently that, as the domestic laws of the US are the ones that are causing the problem, we should examine whether we can alter our laws, such as the Atomic Energy Act, 1962 in such a way as to insulate our strategic objectives. If that can be done, we should strengthen our laws, and, on the basis of those altered laws, renegotiate the 123 Agreement.



APPENDIX - XVIII

Statement issued by the National Democratic Alliance on Indo-US Nuclear Agreement.

New Delhi, September 5, 2007.

Even as the Parliament was fully seized of the Indo-US Nuclear Agreement and was awaiting a full discussion on it the Government constituted a parochial and partisan committee, outside the Parliament, to examine fully the implications of both the Henry J. Hyde US-India Atomic Energy Cooperation Act of 2006, and the commonly called 123 Nuclear Cooperation agreement.

This is a deliberate and blatant violation of the Parliament's rights, prerogatives and privileges. This setting up of a private committee is a total negation of the opposition's rights and role in Parliament. It trivializes the high importance of a vital national issue impacting on our national security and the country's strategic autonomy for the next half century.

The Government has voluntarily handed over decision making to the CPI (M) and the Left Front. There is now apparently no Central Government effectively holding the reins of office; the Communists have been handed over power to decide the future of India but without any responsibility. This abdication by the Government, of its responsibility is a betrayal of their oath.

The NDA cannot accept this. Even now the Government must recognize the perilous path on which they are obstinately set.

The NDA demands that our voice in Parliament must be paid heed to. The NDA's demand of a JPC on the issue must be accepted. This is what we expect.



APPENDIX - XIX

Press Statement issued by L. K. Advani, Leader of the Opposition in Lok Sabha, Shri Rajnath Singh, President of the Bharatiya Janata Party and Jaswant Singh, Leader of the Opposition in the Rajya Sabha on the Civil Nuclear Energy Cooperation with the United States.

New Delhi, November 7, 2007.

Over the last few days several persons including Mr. Henry Kissinger, the U.S. Ambassador Mr. David Mulford, Mr. M.K. Narayanan, National Security Adviser and Dr. Anil Kakodkar have called on the three of us to discuss various aspects of the Nuclear Deal. The B.J.P's position was put across and is briefly reiterated here:

1. The B.J.P. has been and continues to be of the view that the UPA Government has made a significant strategic blunder by turning this deal into a kind of an icon of India's relations with the U.S.
2. The BJP has consistently stood for close Indo-U.S. cooperation and strategic partnership as between two equal sovereigns.
3. We stand opposed to the deal because in our view it compromises long term strategic programmes of India, vital for country's security, neither will it help meet our energy needs of future.
4. Therefore, the BJP strongly recommends that this deal must be renegotiated and not hustled through as the UPA Government is attempting to.



MEDIA EDITORIALS

APPENDIX - XX

Editorial Comments in *The Hindu* on the 123 Agreement on the Civil Nuclear Energy Cooperation with the USA.

Chennai, August 6, 2007.

A sound and honourable 123

A close reading of the text of the civil nuclear cooperation agreement between the United States and India, which was made public on August 3, confirms this newspaper's editorial endorsement of the deal. It is a sound and honourable agreement and the assurances provided to Parliament by Prime Minister Manmohan Singh in 2006 have been fulfilled virtually in their entirety. When the government went into the last round of the '123' negotiations, three issues were unresolved: the country's right to reprocess American-origin spent fuel, guarantee the uninterrupted running of its reactors, and ensure the application of only International Atomic Energy Agency safeguards and not additional American inspections. Another key challenge before the Indian negotiating team was to ensure that the country's nuclear power sector would not be disrupted in the event of a nuclear explosive test. Termination of American cooperation, likely under such circumstances, would not be a serious problem but for Washington's insistence, citing the requirements of domestic law, on incorporating a clause giving itself the 'right' to demand the return of all nuclear equipment and material exported to India.

Article 14 is the core of the 123 from India's standpoint. It spells out the procedures the U.S. must follow before any nuclear material provided by it can be removed from the territory of India. Aside from specifying multiple layers of consultation, Article 14 lays down that the U.S. "must ensure that the timing, methods and arrangements for return of nuclear items are in accordance with" the requirement of "uninterrupted operation of nuclear reactors" in India, as well as safety (as laid down by Indian national regulations) and the payment of compensation reflecting "fair market value" and "the costs incurred [by India] as a consequence of such removal." While this seriously limits the U.S. 'right of return,' the cross-reference in the same clause to the fuel supply assurances contained in Article 5.6 boxes it in completely. There is, finally, this clarification in Article 14.8 "it is not the purpose of the provisions ... regarding cessation of cooperation and right of return to derogate from the rights of the Parties under Article 5.6." In other words, the

U.S. has agreed to treat its obligation to help develop a strategic fuel reserve for India - and the "corrective measures" India will build into its safeguards agreement with the IAEA - as Indian "rights," from which derogation is not allowed even after the U.S terminates cooperation.

In fact, the measure of protection provided by Article 14 read with Article 5.6 is as cast-iron as one can hope to get in a bilateral international text. The BJP's objection that this protection is worthless because the Hyde Act disallows the provision of fuel guarantees beyond normal reactor operating requirements misses the point by a mile. A more favourably drafted Act would offer, at best, illusory protection, since a U.S. administration or Congress could change its provisions at any time. To believe that a good 'mother Act' or 123 agreement by themselves will guarantee India its rights is to demonstrate shocking naivete about the nature of international politics. The Manmohan Singh government has won for India the keys to unshackle its nuclear programme from the unfair restrictions it has been subjected to for the past 33 years. Further, it has secured a measure of legal protection in the event of the relationship with America souring. But true protection will come only when the country uses the new opportunities for nuclear commerce to build a stockpile of fuel - light-enriched and natural uranium - to run a vastly expanded nuclear power programme.

As for the other BJP objection that the 123 agreement will cripple India's strategic programme, the less said the better. A non-hindrance clause incorporated in Article 2.4 ensures that the development of India's unsafeguarded or military nuclear facilities will not be hindered or interfered with in any way. There is nothing in the 123 that takes away India's sovereign right to conduct nuclear explosive tests, or enlarge its nuclear arsenal should it choose to do so. The problem, if anything, is the opposite of what the BJP suggests: thus accommodated in a U.S.-led unequal global nuclear bargain, India may be even less inclined than it is today to pursue the goal of universal disarmament.

Realism demands that we recognise the limitations of the 123 agreement in three respects. The first is that the U.S. will not lift its embargo on the sale of components or even dual use items intended for the safeguarded Indian reprocessing plant. Secondly, there is some uncertainty over the nature of the arrangements and procedures to be agreed upon before India can reprocess spent fuel. The first limitation, on the supply of reprocessing and enrichment equipment, will be overcome if the Nuclear Suppliers Group does not introduce new discriminatory clauses when it changes its guidelines. If it

does that, India will have serious problems about going forward. As for reprocessing the spent imported fuel, the prudent course will be for India to request consultations as soon as the 123 enters into force.

A separate but related concern is the quid pro quo the U.S. will surely expect and try to hold India to in the strategic affairs, foreign policy, and commercial arenas. The present government led by the Congress has followed the same policy as the predecessor BJP-led regime - of compromising foreign policy independence and aligning the country with the U.S. in the name of a 'strategic partnership.' We must not allow the 123 to become new leverage to pull India deeper into the U.S. strategic embrace, especially in the military and political spheres. While the Manmohan Singh government deserves full credit for negotiating a 123 agreement that is indisputably to the advantage of India's nuclear programme and energy sector, it needs to be reminded that its breakthrough will count for little if it turns out that the hidden cost is a further erosion of external independence.



APPENDIX - XXI

Editorial Comments of the *Times of India* on the Civil Nuclear Energy Cooperation Agreement with the USA.

New Delhi, Augusts 6, 2007.

The recently concluded US-India agreement for civilian nuclear cooperation has provoked controversy over its potential damage for the non-proliferation regime. In the process, however, critics may have overlooked the larger political implication of the deal: The agreement marks a strategic shift in US policy not dissimilar to Nixon opening to China in 1972. By designating India a virtual guest member of the official nuclear club, the Bush administration has reaffirmed to the world its willingness to pay a large price for a strategic partnership with Asia's second biggest nation.

Of course, the deal has yet to be consummated. In the coming months, the agreement will undergo scrutiny of a sceptical Congress and still requires endorsement by the International Atomic Energy Agency (IAEA). Also, the 45-member Nuclear Suppliers Group (NSG) must reach consensus on a huge exception for the world's second nuclear weapon state that never joined the NPT. US experts expect bruising scrutiny but eventual

acceptance. The door to civilian nuclear technology and fissile material, shut so long to India, would reopen, giving the US access to Indian markets for both reactor technology and military hardware.

More than 30 years after India's first test of a "peaceful nuclear device", US opinion for the country's nuclear programme has come full circle - from treating New Delhi as nuclear pariah to embracing it as a "responsible" member of the international atomic club. The single most influential catalyst for this radical shift has been an American president who raised US security in the post-9/11 world above all else, reinforcing his scant regard for the NPT or, for that matter, other international rules that may constrain his pursuit of America's national interest. Concerned by growing terrorism and the rise of China, George Bush has been eager to find a reliable long-term partner. Democratic and secular India with its growing economy and military power fit that bill.

Although US-India economic and technology ties have grown at a rapid pace since the launch of the 1991 reforms under Manmohan Singh, political ties have been constrained by the central disagreement over India's nuclear-weapons programme. Indian officials privately admit they were stunned to hear Bush's message that the US was ready to remove the "irritant" nuclear issue in order to build a strategic relationship with India.

India's long-standing three-stage nuclear power plan required it not only to build a number of civilian nuclear power plants, assuring the supply of nuclear fuel, but to develop the ability to reprocess spent fuel.

Plutonium, retrieved from spent fuel, is key to India's goal of securing energy independence. Plutonium could be reused with thorium, abundant in India, to operate fast-breeder reactors to generate power as well as make full use of the nuclear fuel cycle. Scientists contend that reprocessed fuel, though expensive, yields 30 times more energy than conventional nuclear plants. Currently, nuclear power generates barely 4 per cent of India's electricity.

India's plan, however, ran up against US law forbidding supply of technology or fuel to a non-NPT member and undeclared weapons state. More importantly, US law strictly forbade reprocessing by just about anybody. A path around these obstacles was found in 2005 when Bush described India as "a responsible state with advanced nuclear technology".

The 2006 Hyde Act endorsed Bush's approach of making an exception by opening the door to transfer of technology and fuel to India's safeguarded

civilian nuclear programme. But New Delhi objected to the legislation's preamble confirming the US non-proliferation goal and its injunction against selling reprocessing technology. It took Indian and US negotiators two years to reconcile Bush's promise of "full cooperation" with India's civilian programme on the one hand and US law restricting such assistance on the other.

Domestic critics in India, who feared loss of sovereignty, appear mollified. Although critics in Congress have already criticised the Bush administration for sidestepping US law and not respecting the spirit of the Hyde Act, administration sources express confidence that Congress will give assent after seeing the full text of the agreement. The main challenge, sources suggest, is for India to secure specific safeguard agreements with IAEA and specific NSG waivers. Scepticism from Chinese and Nordic members will place considerable demands on India's diplomats seeking to achieve consensus from NSG.

Washington sources suggest the earliest the agreement can be delivered for a vote in Congress is spring 2008. Political exigencies could narrow the likelihood of approval during a presidential election year, and some US officials privately hope that the clout of the wealthy Indian-American lobby will ensure that lawmakers cast votes in favour of the deal. When and if the agreement is finally approved, Bush can take credit for one major diplomatic success in deepening US ties with India. The nuclear agreement will also remove the last remaining shadow over the bilateral relationship and, as undersecretary Nicholas Burns was not shy in pointing out, would likely lead to increased defence cooperation and sales of US military technology. According to the US-India Business Council, the expansion of India's civilian nuclear-energy programme would generate \$150 billion in commercial opportunities for American companies over the next 30 years.

The writer is editor of Yale Global Online.

Courtesy: Yale Global On line.



APPENDIX - XXII

Editorial in the *Hindustan Times* on the Civil Nuclear Energy Cooperation with the United States

New Delhi, August 6, 2007.

SINCE THE nuclear Non-proliferation Treaty came into force in 1967 and India's nuclear tests in 1974. India has been offered a stark choice. It can have a legitimate civilian nuclear power programme, complete with international technology and fuel, or it can have a nuclear weapons arsenal. But it cannot have both. To add insult to injury, the US and other nations applied layers of technology sanctions against India in an attempt to pressure India into surrendering its nuclear arsenal. The Indo-US civilian nuclear cooperation agreement is a remarkable attempt by Prime Minister Manmohan Singh and US President George W. Bush to allow India to have a viable civilian nuclear programme and maintain its military arsenal. The published text of the 123 agreement, which spells out the details of bilateral nuclear cooperation, makes it clear the two sides have succeeded.

There is nothing in the text that compromises India's nuclear arsenal. If anything, the agreement has a clause which explicitly states that bilateral nuclear cooperation must not be allowed to interfere in each other's military nuclear activities. However, India's military nuclear accomplishments are an established fact. The real forward movement is the opportunity that now exists for ramping up the production of electricity from nuclear power: India is desperately short of power and energy is rapidly becoming the primary drag on its economic rise in the coming decades.

Almost all the concerns raised about the 123 agreement have been focused on the fine print. They reflect the suspicion that years of US nuclear finger wagging have engendered in the New Delhi establishment. India's negotiators have incorporated a remarkable array of guarantees against such concerns. If the US is compelled to break the agreement for whatever reason, including an Indian decision to carry out a nuclear test, it has agreed that other countries can continue to supply atomic fuel and technology to India. If India wishes to reprocess spent fuel at some later point, it has been granted the right. Many of these clauses cover hypothetical scenarios. If Indo-US relations maintain their present trend, they will never be invoked or be superseded by more ambitious

proposals. If the relationship falls apart, then India has ensured it will not be damaged by the fallout. The 123 agreement spells the end of nuclear discrimination.



APPENDIX - XXIII

Editorial of the daily *Deccan Herald* on the India - US Nuclear Cooperation Agreement.

Bangalore. August 7, 2007.

The final text of the Indo-US civil nuclear energy cooperation agreement, released last Friday, represents a significant diplomatic accomplishment for the Manmohan Singh government. The 14-day delay in unveiling the final text had aroused considerable public curiosity in the country about its contents. That was understandable since the Hyde Act - the law passed by the US Congress last December to authorise the Bush Administration to negotiate the bilateral agreement, better known as 123 agreement - contained several clauses unacceptable to India. So much so, the government itself had found it compelling enough to convey its concerns to Washington over at least three crucial aspects of the Hyde Act.

The foremost area of concern arose from the Hyde Act's emphasis on strangulating India's nuclear weapons programme, preferably also by getting India to convert its unilateral moratorium on nuclear tests into a binding bilateral commitment. However, if there is one most important success for the Indian officials who negotiated the 22-page final text, it is about completely insulating the nuclear weapons programme and the nuclear doctrine of credible minimum deterrent. Indeed, crucial clauses under Article 14 of the text effectively meant that the US has acknowledged the Indian strategic rationale for possessing nuclear weapons. While the Hyde Act requires US Administration to terminate the 123 agreement if India conducted nuclear tests in future, the text has nevertheless made an important distinction between what can be termed a trigger-happy test and a test undertaken in response to a deteriorating security situation or tests by other countries.

Second, in view of the Hyde Act's emphasis on America's non-proliferation goals, it sought to deny India the right to reprocess spent fuel from the civil nuclear facilities offered to be placed in the civilian sector. That is because

reprocessing produces plutonium which is also the main route for the country's nuclear weapons programme. The final text has, however, granted India "consent to reprocess" and the two sides will work out details of a dedicated reprocessing facility under IAEA safeguards in due course. A far more satisfactory outcome in the final text is for the third most contentious issue encountered during the final stages of negotiations. That related to India's demand for a foolproof arrangement to ensure that there won't be any disruption in fuel supplies. While the outcome is quite satisfactory, the celebration over this successful outcome ought to wait until the deal gets the mandatory endorsement from the 45-Member Nuclear Suppliers' Group and the US Congress.



APPENDIX - XXIV

Editorial' in the *Hindu*: "Put the nuclear deal on hold".

Chennai, August 20, 2008.

For a mild-mannered Prime Minister who leads a government dependent on external support for survival, Manmohan Singh is demonstrating obduracy of a strange and unreasonable kind. His current posture of 'I-must-have-the-nuclear-deal-or-I-go' suggests that the political objective of completing the elected term of the United Progressive Alliance regime has been subordinated to the greater goal of seeing the deal through. And herein lies a fatal contradiction. The guaranteed way of sinking the civilian nuclear deal, which this newspaper has editorially endorsed with some caveats, is for the government to go down, taking the 123 with it. What should be clear to anyone who is not on a high horse, with blinkers, is that given the deep political polarisation there is little chance of any other Prime Minister or government making a go of this deal in the conceivable future.

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1. The above editorial comments are to be read with the first editorial of the paper on August 6 (See Appendix-xx). A couple of days later on August 22, the Editor-in-Chief N. Ram explained the rationale of the change of mind and said:
 "While several readers agree that the Indo-U.S. civilian nuclear cooperation deal should be put on hold under the present politically murky and changing circumstances, some readers have raised questions about what they perceive to be changes and even a 'contradiction' in *The Hindu's* editorial position on the deal. One reader has specifically asked: "What has changed" between August 6, when the newspaper published the leader "A sound and honourable 123," and August 20, when it published the leader "Put

For at least two years now, Dr. Singh has been passionate in his conviction that the civilian nuclear deal he initiated with President George Bush in July 2005 was not just in the interest of India's nuclear programme, which had suffered from a harsh international regime of sanctions and technology denial; it was a supreme national necessity because "nuclear power is critical to our energy security if we want to be a world power" (as he put it in a recent interview). This conviction has been, by the Prime Minister's own admission, linked to the ideological belief that the United States wanted to help India become a great power; that "of all the U.S. Presidents," George Bush was "the friendliest towards India"; and that "in a globalised world,

the nuclear deal on hold"? We welcome this kind of serious public debate, which we believe will help clarify the key issues and their implications in a changing political context. Here is our response:

1. The Hindu has endorsed, and continues to endorse, the 123 deal as "a sound and honourable agreement," which reflects the fact that "the assurances provided to Parliament by Prime Minister Manmohan Singh in 2006 have been fulfilled virtually in their entirety." The newspaper's editorial assessment of the key provisions of the 123 agreement is that they do provide adequate protection for both fuel supply to the nuclear power reactors and for the strategic programme. However, some uncertainties and challenges lie ahead, especially in relation to how the Nuclear Suppliers Group will respond when it is asked to change its guidelines to accommodate India to India's satisfaction.
2. The editorial of August 6 took realistic note of a couple of limitations of the 123. They related to the United States ruling out supply of reprocessing and enrichment equipment and also "some uncertainty over the nature of the arrangements and procedures to be agreed upon before India can reprocess spent fuel." Our assessment was that these problems could be managed given the safeguards built into the 123. The major caveat made in the August 6 leader was this: considering that the United Progressive Alliance government was continuing the same policy as the predecessor National Democratic Alliance government of "compromising foreign policy independence and aligning the country with the U.S. in the name of a 'strategic partnership,'" the country should not allow the 123 to become "new leverage to pull India deeper into the U.S. strategic embrace." The editorial concluded on the note that "while the Manmohan Singh government deserves full credit for negotiating a 123 agreement that is indisputably to the advantage of India's nuclear programme and energy sector, it needs to be reminded that its breakthrough will count for little if it turns out that the hidden cost is a further erosion of external independence."
3. While this remains our considered editorial assessment of the 123, the leader of August 20 addresses the murky and complex political situation that will determine the fate of the nuclear deal. The reality is that the UPA government finds itself in a hopeless minority on this issue. The main opposition party, the Bharatiya Janata Party, and its NDA allies have aggressively attacked the deal as a sell-out of national interests and of the strategic nuclear programme, and look forward to making this a major election issue. All the constituents of the 'third force' bloc, the United National Progressive Alliance, are strongly opposed. The biggest supporting bloc, the Left parties with 61 MPs in the Lok Sabha, has demanded that the government should not go forward even with the next step (going to the IAEA) to operationalise the deal. The simple point is that a regime that finds itself in a hopeless minority in Parliament on a highly sensitive issue cannot act like a majority

Indo-U.S. relations were the key and we needed to give them the highest importance." But the UPA government finds itself in a hopeless minority in Parliament on this critical issue. There is also considerable opposition outside Parliament, with the community of scientists and the intelligentsia divided down the middle and the public mood uncertain.

"A Country is Not a Company," argued Paul Krugman in a celebrated 1996 paper published in the Harvard Business Review. He made the point that "the style of thinking necessary for economic analysis is very different from that which leads to success in business" and further that a failure to understand this can lead to disastrous mistakes. The economist in Dr. Singh needs to realise that arguments drawing from 'decarbonising the economy' exercises done in the Planning Commission combining with ill-founded ambitions of becoming a great power by becoming the sole superpower's camp follower are likely to flop in the democratic political arena. It may be perfectly true that the Bharatiya Janata Party is the co-progenitor of this nuclear deal. But the reality is that the principal opposition party has

government! Economic and technical arguments do not necessarily score in politics, especially when they ride on the back of non-independence in foreign policy and non-transparency for much of the time the nuclear deal was in process. In the present political circumstances, the only way to resolve the crisis facing the Manmohan Singh government is to put the nuclear deal on hold and to meet all the objections and doubts democratically. Business leaders and economists might not be able to understand or appreciate this political necessity. "A Country is Not a Company" argument was brought in precisely to make this point.

4. Because that section of the Congress which is determined to go ahead with operationalising the nuclear deal is on a high horse, with blinkers, it does not appear to have grasped what is self-evident: "The guaranteed way of sinking the civilian nuclear deal, which this newspaper has editorially endorsed with some caveats, is for the government to go down, taking the 123 with it ... given the deep political polarisation there is little chance of any other Prime Minister or government making a go of this deal in the conceivable future." In other words, Prime Minister Manmohan Singh's current posture of 'I-must-have-the-nuclear-deal-or-I-go,' if not reversed, will inevitably lead to the nuclear deal self-destructing, aside from other serious political consequences. This is the reality check our August 20 leader offers.

5. These reasoned propositions are the basis of our editorial recommendation that the nuclear deal should be put on hold and that the government could "pursue the deal by scheduling an earnest round of all-party discussions" to take in "objections, apprehensions, reservations, and questions relating to the nuclear deal that have come in from all serious quarters." There is nothing sacrosanct about the timeline the Indian and U.S. governments have in mind. The outcome of the all-party discussions might seem uncertain. There is of course a risk of the nuclear deal falling by the wayside. But if the Congress party realises that the risk is to be weighed against the virtual certainty of the deal being buried if the UPA government goes down, it will make the right political choice. This is our editorial assessment and it can be seen that there is no contradiction between the leaders of August 6 and 20.

aggressively attacked the deal as a sell-out of national interests, and specifically of the country's ambition of developing "a minimum credible nuclear deterrent." Its leaders are salivating at the thought of this Congress-led regime falling on so sensitive an issue. As important politically is the nature of opposition from the Communist Party of India (Marxist) and its left partners whose bloc of 61 MPs provide life support for the UPA government. The CPI(M) has made it clear that it has serious problems with some of the specifics of the 123 read along with the Hyde Act and has asked the government not to go ahead even with the next step towards operationalisation. But its larger political objection is that the nuclear deal is part of a strategic alliance with the U.S. encompassing political, economic, and military aspects; and therefore has "adverse consequences for an independent foreign policy, sovereignty, and the economic interests of the people." And the Manmohan Singh regime knows it will get no quarter from the recently formed 'third force' bloc, the UNPA.

So for reasons analogous to why a country is not a company, this minority government must understand the difference between economic and technical analysis - which, in the eyes of critics, basically relies on showing how nuclear power's 3 per cent contribution to India's overall energy production can be raised to 7 per cent by 2020 - and what makes for sustainable political success. Non-transparency, which has been in evidence for much of the time this nuclear deal has been in process, has taken its toll of political and public support; and unprincipled compromises such as the U.S.-coerced ganging up against Iran in the governing board of the International Atomic Energy Agency and deepening military relations with the U.S. have had their influence on political perceptions of the 123 agreement.

The way to resolve the present political crisis is for the UPA government to put the 123 on hold, and for the Congress party and its allies to persuade Prime Minister Singh, who continues to command wide respect in India and abroad, not to be inflexible. The government can pursue the deal by scheduling an earnest round of all-party discussions, which must take in objections, apprehensions, reservations, and questions relating to the nuclear deal that have come from all serious quarters. False notions of prestige and credibility, within India and internationally, must not be allowed to come in the way of this larger political necessity. There is nothing sacrosanct about the timeline indicated for the final three steps in the nuclear deal. President Bill Clinton did not resign or even go into a deep sulk when one of his key projects, the Comprehensive Test Ban Treaty, was rejected

51-48 by the U.S. Senate in October 1999. The CTBT - which opened for signature more than a decade ago and has been signed by 177 countries and ratified by 139 of them - has not yet been enabled to enter into force but there are hopes of reviving it. Heavens will not fall if the 123 agreement is put on hold and all the issues opened up for discussion. There is a risk that it may fall by the wayside but that is clearly worth taking, especially if the risk is measured against the virtual certainty of the nuclear deal being buried if the UPA government falls.



MISCELLANEOUS

APPENDIX - XXV

Press Conference of United States Under Secretary of State for Political Affairs Nicholas Burns on the Civil Nuclear Energy Cooperation Agreement between India and the United States.

Washington (D. C), July 27, 2007.

Under Secretary Burns: Good morning. As you know, President Bush just issued a statement commending the work done to complete the U.S.-India Civil Nuclear Accord, the so-called 123 Agreement. And as you also know, about 90 minutes ago, Secretary of State Rice and the Indian Minister of External Affairs Pranab Mukherjee issued a joint statement attesting to the fact that the United States and India have completed successful negotiations on this bilateral agreement. This is also known as the 123 Agreement.

I'd like to say a few words today about the agreement. I'd like to try to put it into context for you, as to why it's important in the development of our relationship, and then try to sketch out the outlines of that relationship.

In my view, this is perhaps the single most important initiative that India and the United States have agreed to in the 60 years of our relationship. It is indeed historic. It's already become the symbolic centerpiece of a growing global partnership between our two countries. And it reaffirms the commitment to cooperate in civil nuclear trade that was first agreed by President Bush and Prime Minister Singh on July 18th, 2005, here in Washington, and then reaffirmed by them at their summit in New Delhi on March 2nd of 2006.

I'd like to commend our counterparts on the Indian side. The Foreign Secretary of India Shiv Shanker Menon and his very able predecessor, Ambassador Shyam Saran. I made eight trips to India over the last two years. It was two years and two days of negotiations. They are exemplary professionals and I think that in building this partnership through a civil-nuke accord we've also built a relationship of trust between the United States and India.

On the U.S. side, our superb team of expert negotiators was led by Dick Stratford, who is a great resource for our government. He is someone with an unparalleled expertise on this issue for over 20 years, and I want to thank Dick and his team for all of their efforts.

In this agreement, the United States commits to full civil nuclear cooperation with India. And that includes research and development, nuclear safety, commercial trade in nuclear reactors, in technology and in fuel. And the agreement essentially provides a legal basis for the two countries to cooperate in this fashion.

We have also reaffirmed in this agreement the fuel supply assurances that President Bush and Prime Minister Singh agree to in March of last year. And we do so by supporting the creation of an Indian strategic fuel reserve and for committing to help India gain access to the international fuel market. Both of us -- the United States and India -- have granted each other consent to reprocess spent fuel. To bring this reprocessing into effect requires that India would first establish a new national facility under IAEA safeguards dedicated to reprocessing safeguarded nuclear material.

Our two countries will also subsequently agree on a set of arrangements and procedures under which reprocessing will take place. And for those of you who are steeped in this, you know that that's called for by Section 131 of the Atomic Energy Act of 1954.

In this agreement, India has committed to safeguard in perpetuity all civil nuclear material and equipment and also committed that all items under this agreement will only be used for peaceful purposes.

Those are the major features of what we have agreed upon, and it represents a tremendous and historic step forward for both of us. If we look back at the past decades of our relations with India, we know that our differences over nuclear issues have constituted the most significant divisive element in this relationship. The agreement that we announced today removes that fundamental roadblock and will bring us much closer together as two countries as a result.

And that is something that we Americans see as vital to our national interest, not only today but for the decades to come. And that is the first and most important strategic benefit of this agreement.

There are four other related benefits to this agreement as well. The first concerns nonproliferation. Some critics have said that this arrangement undermines the international nonproliferation regime and the NPT. We think that is absolutely incorrect. We think that the U.S.-India agreement strengthens the international nonproliferation regime. For 30 years, India has been on the outside of that system. It has been sanctioned and

prevented from taking part in civil energy trade. With this agreement, India will open up its system to international inspection and it puts the majority of its civilian reactors under IAEA safeguards. This deal now brings India, soon to be the world's largest country, back into the nonproliferation mainstream in a way it was not before. And that is a tangible gain for India, as well as the United States and the rest of the world.

The agreement also sends an important message to nuclear outlaw regimes such as Iran. It sends a message that if you behave responsibly in regards to nonproliferation and you play by the rules, you will not be penalized, but will be invited to participate more fully in international nuclear trade. India has not proliferated, unlike North Korea in the past. India is willing to subject itself to full IAEA safeguards, unlike Iran today. And India has not violated its nuclear obligations, as Iran has and continues to do. Iran, of course, has reneged on its most important international commitments.

An additional related benefit is something we're all growing more concerned about everyday, and that is clean energy. We need to find alternatives to the polluting fossil fuel sources that the world has become so dependent upon. And India looks poised to continue its very substantial economic growth. It will require energy to sustain that growth. And with this deal, India will be in a greater position to increase the percentage of its energy sources and energy mix coming from clean nuclear power. That will help in the fight against global climate change.

The agreement also gives India greater control and security over its energy supplies, making it less reliant on imports from countries in the future, like Iran. That's currently a major problem for India; the fact that it needs these external supplies. And so India wants to find a way to resolve this problem, and so do we. And we believe this agreement can contribute to that cause.

The final benefit will be that American firms will be, for the first time in three decades, able to invest in India's nuclear industry. American companies have the finest nuclear technology in the world, and we are looking forward to American firms having the opportunity to bring their latest technology to the Indian market. We are confident that American companies will have equal access to this huge market and that they will succeed there.

So in all respects, we believe this agreement is in the unquestioned national interest of the United States. To put it into effect, there are three remaining steps that need to be taken: first, India will now have to negotiate an IAEA safeguards agreement, and we hope that can happen as soon as possible;

second, we will work together, along with many other countries in the Nuclear Suppliers Group, to help India gain access to civil nuclear trade with all the countries of the world; and third, when we have finished those two steps, President Bush will send this agreement to Congress, as he has promised to do, for a final vote by the United States Congress.

We hope that this can happen in the next several months. We are looking forward to it and we spent the greater part of this week briefing the leaders of the Congress and their staffs about the details of all this arrangement. We believe this great, historic civil nuclear agreement will become part of a new strategic partnership between our countries. We are ready to build that relationship with India. And by removing the real barrier that had separated us for more than 30 years, we're about to liberate our two countries for a new engagement.

Now, I would anticipate a series of high-level meetings between the Indian and American leaderships over the next several months. And I think now that we've consummated the civil nuclear trade between us, if we look down the road in the future, we're going to see far greater defense cooperation between the United States and India: training; exercises; we hope, defense sales of American military technology to the Indian armed forces.

Second, we know that both of us are victims of terrorism, and unfortunately we'll continue to be victims of terrorism, and so expanding our counterterrorism cooperation is a high priority for both of our governments.

Third, we want to work together to have a greater measure of global cooperation between us. We already are working together with India in South Asia on Bangladesh, on Sri Lanka, on Nepal, in trying to form a better functioning relationship between India and Pakistan. We're working together in a way we never have before.

This can become a global partnership where we work together in East Asia, in Africa, as the two -- well, as the largest democracy in the world and the oldest democracy in the world. So we think this agreement today unlocks the promise that we've known for 60 years is in the India-U.S. relationship, and now we can make that promise a reality.

So with that, I'll be very happy to take your questions, Carol.

Question: In the Hyde Act, Congress made it very clear that if India were to test a nuclear weapon, that U.S. cooperation with India should cease. If you

are giving India assurances that there will be no interruption in its fuel supplies, regardless of what happens, how does that comply with the law? And why does that advance your efforts to try to persuade India not to test again?

And on the reprocessing issue, the President has said enrichment and reprocessing is not necessary for a country to move forward with nuclear energy. Doesn't this repudiate that statement by him? And -- well, I just thought --

Under Secretary Burns: Two questions. Thank you. (Laughter.) And I expect more.

First of all, we were very careful when we began these -- the latest phase of these negotiations to remind the Indian Government that since the President and Prime Minister had their two agreements of July '05 and March '06, something else had happened: The Congress had debated over six, seven months those agreements and the Congress has passed the Hyde Act. And so we had to make sure that everything in this U.S.-India civil nuclear agreement, the 123 Agreement, was completely consistent with the Hyde Act and well within the bounds of the Hyde Act itself.

When we briefed Congress this week, we said we were confident that was the case. And it pertains to both of your questions. And I'll take them one at a time.

On the issue of so-called right-of-return that, of course, the American President under our Atomic Energy Act has the right to ask for the return of nuclear fuel and nuclear technologies if there is a test. That right-of-return has been, of course, preserved as it must be under our law, and there has been no change in how we understand the rights of the American President and the American Government. It has been fully respected by this.

Now in March '06, when the President met with Prime Minister Singh in Delhi, he did -- President Bush offered four specific assurances to the Indian Government that we wanted to help it try to achieve a continuity of fuel supply. And those assurances are built in. The ones that we announced publicly in March 2, '06, are now built into the 123 Agreement. And they are very much consistent with the fact that we have a positive view of our future civil nuclear cooperation with India. We expect it to continue in a positive direction.

But, you know, when you write an agreement the way we have, and when you have legions of lawyers on both sides of the table, you also build in

protection -- both sides do -- to meet your legal obligations. And so if there's ever any reason for the United States to have to invoke the right-of-return, we could certainly do so.

On the second question, on reprocessing consent rights, this was a major issue, in fact the principal major issue, in this last phase of negotiations over the last few months. The United States has committed in the past, in these 123 agreements, to confer reprocessing consent with Japan and with EURATOM.

We thought very hard about going down this road with the Indian Government. We decided to for two reasons. First, in late May, early June, the Indians came to us and said that they were ready to build a new state-of-the-art reprocessing facility that would be under IAEA safeguards and that any reprocessing of spent fuel would be done in conjunction with that new facility, fully safeguarded, fully transparent to the IAEA and to the United States and to the international community. That was a significant development in the negotiations.

Second, Section 131 of the Atomic Energy Act, of course, calls for subsequent arrangements in reprocessing, arrangements in procedures, that would need to be agreed upon before the reprocessing could actually take place. So with the new facility promised by India under IAEA safeguards and with the subsequent arrangements and procedures, we believe it's a deal that makes sense to the United States. It allows India to go forward in a way fully within the Hyde Act, to complete the kind of activities that it wants to undertake, but it allows us to do so in a way where we're fully protected, not only by our law, but also by the IAEA provisions for this facility.

This was -- these were two factors that were not in place a year ago. There was no talk of a new reprocessing facility a year ago. It has just been in the last two months that this has materialized. We looked at it very carefully and decided that, on that basis, we should go ahead, that it was in our interest to go ahead. And that is, as you'll see as we brief this more -- in more detail, that is fully written into the new agreement.

Question: Can I just follow up? You're convinced, you're confident, that safeguards will prevent any diversion of fuel from this new facility to India's weapons program?

Under Secretary Burns: Yes. As you know -- yes, we are.

Question: I mean, because there are some people who think that that's not possible.

Under Secretary Burns: We are convinced and we've written -- of course, both sides have committed, and of course the Indian Government has committed, to continuous safeguards.

Now, we had our eye on this question that you ask about a year and a half ago. And as you remember, the big development on March 2, '06 was the agreement of a separation plan that the Indian Government wrote that was built into the March 2 agreement that allows us with some confidence, Carol, to say that from the beginning, the agreement was always about civil nuclear cooperation, the agreement does not speak to India's strategic program. And of course, we cannot aid in the development of India's strategic program, but we can separate that program from the civil side and we can help India to take its country from a 3 percent reliance on nuclear power to something substantially greater in the future. And that will have economic benefits, technological and very strong environmental benefits for India. And that's in our interest.

Question: Just to clarify, I mean, does this reprocessing deal go against the terms of the congressional approval that was given in December?

Under Secretary Burns: No, it doesn't.

Question: And why -- and if it doesn't, then why was this only just -- because just two months ago and the deal was only -- the agreement was in December?

Under Secretary Burns: Well, as you know, we've been negotiating this for two years and two days. It's been a long time coming. And of course, in any negotiation like this, there has been a cycle, there's been an evolutionary cycle to the discussions. It became clear following the passage of the Hyde Act that India wanted to see if we could reach an agreement on reprocessing consent rights. We wanted to see that there were developments involved or inherent in the agreement that would allow us to do so, but allow us to do so on a basis that was consistent with the Hyde Act. That was our obligation to the Congress.

And this promise by India to construct a new reprocessing facility, state of the art, safeguarded by the IAEA, I think was the fundamental positive turning point. But the Hyde Act -- what we are doing on reprocessing is fully consistent with the Hyde Act and, very importantly, with the Atomic

Energy Act of 1954. And we wouldn't have agreed to it otherwise. That's been a very important framework for us that we already have, not only in the law from 1954, we have the Hyde Act. And we kept reminding the Indian side, and they were good enough to negotiate on this basis that anything we did had to fall within and respect the legal guidelines that Congress had set forth.

Question: Nick?

Under Secretary Burns: Yes, Aziz.

Question: Nick, piggy-backing on the question on testing that was asked, the fact that the U.S. has in a sense assured India of sort of permanent fuel supplies, even if it were to test, isn't India only better because that the fuel supplies would still be assured even if the U.S. does withdraw its supplies a la Tarapur. So in a sense, India is assured that there won't be another Tarapur in future.

Under Secretary Burns: Well, you know, it's hard for me to deal in hypotheticals. I learned when I was spokesman here ten years ago never to answer hypotheticals. But I think I understand the drift of your question, and it's consistent with where Carol was going with her question.

The fact is that American law insists that the right of return be preserved, and we have preserved that in this 123 Agreement with India. The fact is also that we hope and trust that it won't be necessary for India to test in the future, and we hope and trust that we can go ahead with full civil nuclear cooperation. And so the basis of this agreement is the positive affirmation that we seek to build full civil nuclear cooperation. But in the event of any kind of hypothetical disruption of supply, and there is lots of different hypothetical examples that might lead to an interruption of supply, we know it's important for the Indians to have a continuous supply of fuel. And that's why a year and a half ago President Bush offered the four fuel assurances that have been written into this law.

But none of that contradicts or conflicts with the legal right of any American President in the future to insist on the right of return. That's preserved. That's preserved. But that's preserved for the worst case hypothetical event in the future. What we expect is that we'll have full civil nuclear cooperation, that these hypothetical scenarios will not come into play over the next several years, and that we'll be able to build the kind of positive cooperation that these fuel assurances will help to bring about.

Question: And you did say that this dedicated reactor was sort of a turning point.

Under Secretary Burns: It was.

Question: So it was during these negotiations that the real turning point -

Under Secretary Burns: It was during -- Dick Stratford and I were in Delhi on June 1, 2 and 3 of this year, and it was a very intensive three days. And it was during those three days that the Indian Government approached us and said that they felt that they were willing to commit to this new facility. They knew that they had to do that in order to earn the reprocessing consent that we have subsequently given. And I think it was the fundamental turning point in these negotiations, and our experts took some time to look through the Indian proposal, and I think it did make a great, positive difference that allowed us to go ahead.

And the fact that it's going to be safeguarded by the IAEA, I think gets back to Carol's question that we can be assured that there is a separation and that when the United States does deliver nuclear fuel to India, we'll know what is going to happen to that fuel when it goes through the fuel cycle.

Question: This is like an India-specific deal. There'll be no similar deal offered to any other country?

Under Secretary Burns: This is complicated enough, I can assure you, that the United States is not going to suggest a similar deal with any other country in the world. We've always felt of India as an exception. We've made the argument that India has not proliferated its nuclear technology; that India, in effect, outside the system, has played by the rules and that the system would be strengthened by bringing it in. But we're not anticipating, in any way, shape or form, a similar deal for any other country.

Question: But how --

Under Secretary Burns: And that, I think, is important for the countries, the 45 countries, of the Nuclear Suppliers Group. Once the Indian Government succeeds with Mohamed ElBaradei in completing a safeguards agreement, then the action -- September, October, I hope, November -- will turn to the NSG. And I think it's important for the NSG countries to be assured that we're all going to be make, on an international basis, an exception for India, but we're not going to have -- it won't be a precedent to

bring other countries in under the same basis, because India is unique in its history of its civil nuclear program, and we think that we're going to strengthen the NSG by having the international community take the same decisions that the United States has taken in leading this initiative.

Question: But how can you prevent other countries, such as China and Pakistan, from making similar deals?

Under Secretary Burns: Well, there's a very high bar in the Nuclear Suppliers Group. It's consensus. Every single one of the 45 countries has to agree. Now, we've been talking to every country in the NSG since 2005 about India. And I think we and some of the European countries will take the lead in arguing in the Nuclear Suppliers Group that this kind of treatment to liberalize the international regime and bring India into full civil nuclear cooperation should be given by every country. I don't think there's any other country out there who could be brought -- who's not in the NSG who could be brought into the NSG at this point and given the type of treatment that we hope India will be given.

Question: To talk about the reprocessing, would America consider selling or sharing reprocessing technology with India? Is that planned?

Under Secretary Burns: Well, as you know, there are significant restrictions and major restrictions in American law that prevents the transfer of enrichment reprocessing technology to any country.

There are two exceptions listed in the Hyde Act, and on that basis we will work -- if India is interested, we will work to see if we could meet the tests of those exemptions in the Hyde Act, but obviously, under congressional purview.

It's important to remember that the Congress has the final say on all of this. When we get through the -- when India gets through the IAEA safeguards agreement, when and if the Nuclear Suppliers Group acts, and we hope it will, this thing goes back to the Congress for a final vote.

It's important also to note that when we begin to build this reprocessing initiative, the new state-of-the-art facility will be constructed by India, and then the subsequent arrangements and procedures will be agreed to by the U.S. and India, as we did with Japan, as we did EURATOM. Congress has the right to review that particular subsequent arrangements and procedures.

And so we have been briefing Congress this week. In fact, I will tell you that when we came -- when Ambassador Stratford and I came back from India

on the 3rd of June, he and I spent a considerable amount of time on Capitol Hill, just making sure that everything we were doing was well within the Hyde Act before we made the final commitments to India last week when the Foreign Secretary and the National Security Advisor were here for those very intensive four days.

So the Congress has the right to review this and to approve it every stage, and that's only proper because this is a major initiative and a major departure from three decades of American practice.

Question: You talk about how this will strengthen the nonproliferation regime and then you also talk about how this is totally separate, the civil and the military --

Under Secretary Burns: Military.

Question: -- nuclear arsenal.

Under Secretary Burns: Yeah.

Question: Could you just explain in kind of layman's terms how this strengthens the nonproliferation regime because this really has only to do with civil nuclear power, not to do with the kind of issue of India as a nuclear -- as a nuclear -- military nuclear power?

Under Secretary Burns: Well, the United States is a strong supporter of the Nonproliferation Treaty and of the international nonproliferation regime, the agreements that make up that regime. And, you know, it's -- as you know, there are a lot of inconsistencies that have now developed in that regime. You have countries inside the regime, like Iran, that are cheating. They have been cheating for the better part of the last 20 years.

In the case of Iran, they withheld information from the IAEA for 18 years. In the case of Iran, they haven't -- if you look at Mohamed ElBaradei's report to the Security Council of May 24th, they haven't answered major questions about what they're doing at Natanz, what they're doing with the Arak heavy reactor. So you've got this inconsistency of some countries inside cheating and of soon-to-be the largest country in the world, one of the largest energy consumers in the world -- India --on the outside, but not cheating.

And so we felt when Secretary Rice went to New Delhi in March of 2005, she talked to the Prime Minister, Prime Minister Singh. And she said we felt that over the long term, this nonproliferation system would be strengthened if India were brought into it, and if India would commit to

inspection of the majority of its nuclear reactors by the IAEA for the first time. And that's essentially what we've worked out over the last two and a half years since her visit.

We are bringing India into the system. It's going to strengthen it in that respect. And I do think that the message to countries like Iran is, if you're not willing to answer questions from the IAEA, if you're not willing to be transparent about exactly what's happening at Natanz at that enrichment facility, then there's no chance whatsoever that the international community is going to treat Iran and give it the kind of benefits that we're certainly willing to give the Indian Government. So I think that's the fundamental lesson for the nonproliferation regime.

And on separation, we have been clear from the beginning, and we were after July '05, that we could not go forward -- we, the United States -- unless there was a clear separation between how we would work with India on the civil nuclear side and then separate that completely from what India does on the strategic side. And it was the separation plan written by the Indian Government, agreed upon on March 2, '06, that it is a fundamental basis of the entire project.

Question: If I may just quickly follow up, these are -- these are not -- these kind of safeguards that they're agreeing to are through the agreement with you, but not -- they're not legally -- these are voluntary as -- according to the international nonproliferation regime.

Under Secretary Burns: No, India has committed to safeguards in perpetuity; and India has committed that, at this point, 14 of its 22 nuclear power plants will come under international safeguards; and that all -- as we talked about a year and a half ago, all future breeder reactors will come under safeguards. And so these are IAEA safeguards, and when this new reprocessing facility is constructed, that will be under IAEA safeguards. And so we're -- I think someone asked before, how can you be assured of continuous safeguards? Ambassador Stratford and his team were very keen to make sure that in the writing of this agreement, those safeguards will be in place in a way that we can be confident in.

Question: Just very quickly one more time. But what I'm saying is, I understand what you're saying about the separation that they can't use one for the other, but their military nuclear arsenal, or anything, is not under international safeguards.

Under Secretary Burns: No, I didn't suggest that. There's a complete

separation. We work with India on the civil side; that is safeguarded. What India does on the strategic side is India's business. This agreement doesn't aid that program and it doesn't have an effect because we've cleanly separated what we do to be only focused on the civilian side, not on the military side.

Question: Thank you. One specific question and one more general one. Specific one: On -- you talked about -- you will subsequently agree to the programmatic consent. So does -- is that within a specific timeframe or contingent on some other event taking place, or is it just a commitment to engage in negotiations that might lead to this?

Under Secretary Burns: The way I would describe it, and the way that Dick and I talked to the Indians about this, is that to put into effect the consent rights requires the two things that I mentioned: the development of this safeguarded -- IAEA safeguarded reprocessing facility; and the subsequent arrangements and procedures that the two governments would negotiate. And, of course, that is the way we conducted the reprocessing agreement with Japan and with EURATOM.

So I think it's a very important -- the agreement is a very important signal to the Indian people that their country is being respected, that their country will gain the kind of rights that only a few countries have -- Japan and EURATOM -- with the United States, but it'll be done in such a way that will be fully consistent with American law and with our practice, as we've dealt with our ally, Japan, and our allies in Europe in decades past. We felt it was important to have that consistency and I'm confident it's been written into the agreement.

Question: And the second more general question: As you said in the past, there's been a lot of divisiveness, and part of that was because the two sides interpreted the same provision and agreement differently. So is everything in this agreement so crystal clear that there is no ambiguity about it and that the Indian Government would endorse everything that you've said today as to how we should interpret it?

Under Secretary Burns: Yes, I believe that is the case that you're going to find a consistency of presentation by both governments and a consistency of explanation of what we've agreed to. Now, what we'll both need to do -- I know the Indian parliament, the monsoon parliament, will come into session, I think, on the 6th or 7th of August. Our Congress, of course, will want to see this agreement and every detail of it, as it should. And so,

when we're able to make the text available to the Indian parliament and the American Congress, we will, and at that point we'll make it public as well. The reason we can't do that right now is because we've got to complete our congressional consultations, but also, our President needs to -- we have a procedure here where the President needs to authorize the sending of the text to Congress. And so we'll do that.

But you can be assured that what we did once we got very close to an agreement last week -- the Indian Government was here from Tuesday through Friday at 2 o'clock, and we had nonstop, round-the-clock negotiations with Foreign Secretary Menon and the National Security Advisor M. K. Narayanan. Once it became clear that we knew what the elements would be, we actually did spend a lot of time together -- Foreign Secretary Menon and I -- in saying, okay, now, are we fully agreed on what each of these elements means, on what they are, on how they're linked to our law, and will we fully be able to then make sure that we're consistent in applying it?

And I'm confident we've reached that point. I've talked to the Foreign Secretary, I think, every day this week, including this morning, and he and I were very keen to make sure that when we presented this, we did it in way that was clear where American law kicked in, or Indian law, and what our respective obligations would be.

Question: Nick, you have portrayed this deal as a savvy decision and as worth undertaking, basically on, it seems to me, on two premises: one, that India has never represented a proliferation risk with respect to nuclear technology; and secondly, that it helps draw a useful distinction with a country like Iran. And yet I would like to introduce into the record of this briefing three facts which might tend to challenge those premises and have you respond to them.

First is that over the last two and a half years, the State Department has issued at least -- sanctions on at least seven separate Indian entities for transferring strategic weapons-related technology or goods to Iran, specifically. One of those entities was sanctioned last year for selling Iran chemicals critical to manufacturing rocket fuel. And finally, no less a figure in India than the former chairman of its state-run civilian nuclear program remains under State Department sanction for visiting Iran's nuclear establishment several times and reportedly transferring technology to extract tritium, which, as you probably know, is a material necessary to make smaller, more efficient missile-deliverable nuclear warheads.

And that -- all of what I've just said -- ignores the burgeoning military-to-military ties between India and Iran. So why should anyone view this deal as one that is savvy for the United States to make when, in fact, India under -- or entities in India remain under State Department sanction for sharing nuclear technology with Iran, and is, in fact, also expanding its military cooperation with Iran?

Under Secretary Burns: Well, as you know, there is an American law that speaks to the prohibition on trade by any company or any government around the world with the Iranians. We apply that law. And it is true that some Indian firms have become subject to that law and we intend to apply the law, and there'll be no exceptions to it. And so we'll go forward on that basis.

But there's no indication that I am aware of that the Indian Government has been involved in any illicit activity and trade of nuclear materials with India. These are Indian firms that we've sanctioned. But we will apply the law and make no exceptions. That is our obligation.

I would disagree with you that somehow there's a burgeoning military relationship. Now, India -- like most of its neighbors, like all of our European allies, like all of our Asian allies, and like the Gulf states -- has a diplomatic relationship with Iran, has a commercial and trade relationship with Iran. Our advice to the Indian Government has been the same advice that we give to Japan or to France or to the United Arab Emirates. We think Iran is an outlaw state. We think the international community should sanction Iran through the Security Council, as we've done twice over the last nine months, and also through independent sanctions taken by individual companies -- countries, excuse me. We don't want to see a strong relationship between any country and Iran because we think the signal to Iran should be one of isolation. So our message to India is very much consistent with our message to all of our other friends and allies around the world.

Now, I know there is some connection between India and Iran militarily, as there is between other -- some of the other countries that I mentioned. We would obviously -- our advice, consistent with the Security Council sanctions, would be to diminish a country's military relationship with Iran. But I'm not sure, as an objective observer, I would say that there's a burgeoning relationship.

I remember when Secretary Rice testified before the Senate on behalf of the India civ-nuke deal, in the spring of 2006, and there was a flurry of

stories in the press about an Iranian ship visit to India and that it was an example of burgeoning defense ties. And it turned out it was a ship -- you know, one of these mast -- one of these clipper ships with 16- and 17-year-old cadets learning how to sail.

I think, actually, the direction that India is turning into is to closer military cooperation with the United States. And as I said in my prepared statement, I think that is going to be one of the very significant horizons of this relationship.

Question: May I follow up, please? First on the military ties, India has helped Iran complete a major naval facility and has conducted joint exercises with the Iranian navy. Whether you want to characterize that as burgeoning or not is your decision, but the follow-up question I wish to ask is: even if one is prepared to assume, charitably, that the Indian Government had no idea about the transfer of those technologies to Iran on the part of, for example, the former head of its civilian state-run nuclear program, what does it say for Indian end-use or export controls that those exchanges took place, and how trustworthy a partner does it make them for the kind of benefits that you're proposing?

Under Secretary Burns: Well, two points. First, we have sanctioned, as you know, a number of firms from a number of countries around the world for illicit, and we believe prohibitive, transactions with Iran in the nuclear field. Second, when we approached the Indians in the spring of 2005 with this -- Secretary Rice did -- with this big idea to break through three decades of separation and to make this big strategic move to engage in civ-nuke cooperation, we did say to the Indians, you know, every country that's in the mainstream has to have a significant set of export control laws. And so you saw the Indian parliament pass such laws, I believe in June/July, if I'm not mistaken, of 2005, before Prime Minister Singh came to Washington.

And in part, we urged India to do that -- its government and parliament -- because we did perceive some weaknesses in their export control regime. But we believe that India has a counter for that. We believe India is committed to it. India has been a responsible country for a very long time, and if there are problems in the system, we believe the Indian Government will feel compelled to fix those problems.

Question: Thank you.

Under Secretary Burns: Thank you.

Question: Mr. Secretary, as far as this development is concerned, the credit also goes to you and Secretary Rice. My question is that -- and you have been briefing the U.S. Congress. You think from the briefings that Congress is now satisfied, number one?

And number two --

Under Secretary Burns: It's a big Congress. There are lots of people in it. (Laughter.)

You know, I think what's going to happen is this. Congress has a right and obligation to ask questions. Congress is going to want to see the fine print. Congress is going to want to have detailed briefings from myself, from Ambassador Stratford and his team. That's the way our system works.

We were very pleased that after a six or seven month debate -- on the op-ed pages, in testimony on the Hill in 2007 -- '06, excuse me -- Congress passed the Hyde Act by very large margins in the House and Senate with strong bipartisan support. And we hope to be able to earn that same vote -- and we'll have to earn it -- when the 123 Agreement comes back to Congress, hopefully by the end of this calendar year.

We know that we have to convince Congress that we've been attentive to the concerns that Congress clearly expressed in all those hearings that Secretary Rice and I did. We know that the Hyde Act is American law and we have to be inside the Hyde Act in every respect. And I'm confident we are, and I'm confident we'll be able to put that case forward.

But I don't want to speak for the Congress. It's an independent branch of government. This is a very big step, and Congress is going to look at it very closely. And so -- but I'm confident and I know Secretary Rice is confident that we've done the job that we had to do and that we think we can earn that support and trust from Congress.

Question: Something just to follow quick, Mr. Secretary. I will say this agreement came into effect during Prime Minister announcing and President Bush. Indians and India were feeling that they will have little cooler summers soon. How soon can they feel now that this agreement will make effect on Indians and India?

Under Secretary Burns: Well, I think the point of this is that we know India is a rising power in the world. We know it has major energy needs that

have to be met as its economy expands by 8 to 9 percent a year, which is quite extraordinary. And we know it needs to diversify its energy sources.

Now, this is a very complicated agreement. As I said, I think the chronology is that we're probably, probably not going to see this agreement go to the Congress until the IAEA and NSG steps are taken, hopefully by the end of this year. Once the Congress -- if the Congress approves it, and we hope it will, then at that point American companies can begin to, for the first time in decades, compete for contracts, for nuclear weapon -- nuclear reactor - - excuse me -- design and construction for nuclear fuel. (Laughter.)

And then if we're going to take the reprocessing forward, that's going to take some time because this new facility will be constructed. We'll have to agree on a subsequent set of arrangements and procedures. So there is a long timeline to this, but the benefit is going to be quite substantial in the future.

Question: On the strategic reserve that you will be supporting in this agreement, how does that square with the statement of policy in the Hyde Act which says that the U.S. will not really encourage other countries to supply fuel to India if, in fact, they do revoke the fuel?

And secondly, in the NSG, would the U.S. be amenable to an agreement whereby other countries would still be able to provide fuel to India if the U.S. did, in fact, revoke fuel?

Under Secretary Burns: Well, first of all, you know, you write an agreement and you negotiate an agreement because you have a positive view that the full cooperation is going to take place and that we're not going to have these extreme hypothetical situations develop in the future. You write from that basis. In that spirit, the President offered the fuel assurances on March 2, 06 and they're written into the agreement.

But you also negotiate -- you also negotiate from a legal perspective with the worst case in mind. And so, of course, the worst case would be that the right of return would have to be invoked. And we had to protect that on a legal basis, and we have done so. I don't see an inconsistency there. There isn't an inconsistency.

What I presume will happen over the next four or five years is that we'll go full speed ahead with India and the United States. If, in the future, some hypothetical situation arises that should knock that off course, then we have the legal protection that the Hyde Act demands and that American law demands.

Question: Has the Pakistani Government shared any concern vis-à-vis this agreement with you? Because some Pakistani nuclear experts have shared the concern that this will allow the freeing up of its own nuclear technology and resources of India towards the weaponization and acceleration of its nuclear weapons program. So do you think it will further lead to the nuclearization of South Asia?

Under Secretary Burns: The what of South Asia?

Question: The nuclear -- the acceleration of the nuclear arms program in South Asia?

Under Secretary Burns: No, we don't expect that to be the case and we hope that's not going to be the case. You know, Secretary Rice made a fundamental judgment in the spring of 2005 that she felt it was important to, in effect, dehyphenate our relationship with India-Pakistan. For decades, the United States had tried to carefully balance every step with India and determine its impact on Pakistan and vice versa.

We have singularly important relationships with both countries, but they're very different. The relationship with India is based on this extraordinary growth of trade and investment between our private sectors. The fact that India has the greatest number of students here, 75-80,000, and the fact that we're going to do things with India - civil nuclear trade, democracy promotion worldwide, HIV/AIDS cooperation --that are going to be unique.

I testified on Pakistan the other day and said Pakistan was the most indispensable country in the entire world to the United States in our number one global priority, fighting al-Qaida, fighting the Taliban, fighting radical extremist terrorists groups. And so that relationship rests on that kind of cooperation which is very important to the internal stability of Pakistan and of Afghanistan.

And so we -- you know, we're going to proceed with very strong relationships with both countries. And both countries are going to look to the United States in different ways. And I think it's important to mention that as a way to answer your question, because obviously Pakistan has a past, in terms of nuclear proliferation which, with the A.Q. Khan network, was very troubling. India has a very different past, and therefore we construct a different future on that basis, on that particular activity, civil nuclear cooperation.

Question: (Inaudible) new reprocessing facility and when you do you expect it to be finished? Is this a U.S. --

Question: (Inaudible.)

Under Secretary Burns: It's India's responsibility. Yeah. No, no, we didn't --

Question: There's no contribution from the U.S.?

Under Secretary Burns: Dick and I didn't agree to pay anything towards this facility. This is an Indian facility. And the safeguards are going to be from the IAEA. And so just as the United States would pay for any facility that we built in our country, we expect the Indian Government will cover that expense, and I assume the Indian Government believes it's worth it.

Question: And when do you expect it to be finished?

Under Secretary Burns: I don't know. I mean, you'll have to ask the Indian Government. This is going to be a major facility. It's going to be state of the art. It's going to be very new. So I don't know that the timeline will be on that.

Question: (Inaudible) your timetable for Congress here?

Under Secretary Burns: No. Let's take this -- that's -- thank you for asking that question. No. To get this agreement, the one we announced today, to the Congress requires IAEA safeguards and Nuclear Suppliers Group action. Then it goes to the Congress. To exercise the reprocessing rights will be subsequently worked out by the development of the new Indian facility and by the arrangements and procedures that the U.S. and India would agree to. So that would be subsequent to the passage, hopeful passage, by Congress of the 123 Agreement.

Question: But do you expect that Congress would put in some sort of provision that in case this facility doesn't materialize, the deal is off?

Under Secretary Burns: Oh, I don't know. I can't anticipate what the Congress will do, but --

Question: Do you want such a provision?

Under Secretary Burns: Our hope is that Congress will look at this agreement and say well done, good agreement -- (laughter) -- we fully agree with the Bush Administration and let's go forward. That's our hope. Let's see what happens.

Question: Well done. Good briefing.

Under Secretary Burns: Thank you very much.

Question: Allow me. Could the U.S. business get into it before this facility is completed and get a piece of the pie?

Under Secretary Burns: Well, let's -- again, I mean, that's a very good question. If the Congress, and we hope it will, approves the 123 Agreement, then that would allow American companies to begin to engage in civil nuclear trade and investment and nuclear reactor design with India.

Question: Because India --

Under Secretary Burns: It's the reprocessing that depends on the other two factors, and I believe that's going to be subsequent. So the American companies will be able to go in and we're very anxious to have that happen because, as you've seen with our trade with China and with other countries around the world, American firms are doing very well in competing against other countries' firms for contracts.

Question: Do you think --

Question: (Inaudible.)

Mr. Casey: Guys, excuse me a second. Let's just wait.

Question: (Inaudible) NSG countries supply fuel to India, would India be expected to house that in the proposed IAEA facility?

Under Secretary Burns: Well, I think that -- I think that's a very good question.

Mr. Casey: I let you get by one. (Laughter.)

Ambassador Stratford: The answer is, is if anybody else sold material to India --

Under Secretary Burns: I want Mr. Stratford to come up here. You should have a look at him. He is a person who has been negotiating these agreements for 20 years. He's our best national resource and expert. Take the floor.

Ambassador Stratford: I interpreted the question to mean if other countries transfer fuel to India, would it be reprocessed in the same facility. And the answer is, is if they were to give permission for reprocessing, it has to be done under IAEA safeguards. That's a given. If there's only one IAEA

safeguarded facility -- namely, the new one -- that's where it would take place. This facility has to be dedicated to safeguards forever and for everything that passes through it. It does not have to be only dedicated to U.S.-origin material. It could be used for everybody else's as well.

Under Secretary Burns: Great. Thank you.

Question: In the negotiations with the Indians so far, have the Indians showed any willingness to accept any further notifications if Congress adds or changes something?

Under Secretary Burns: That's a hypothetical question. We'll have to see what the Congress does.

Thank you.



APPENDIX - XXVI

Telephonic Press Conference of American Ambassador David C. Mulford from USA.

July 30, 2007.

Ambassador Mulford: Good evening, everybody. I'm very happy to have the chance to speak with you today.

I wanted to be available to the press a few days after the announcement of the 1-2-3 Agreement and the original press conferences so there would be time for you to digest your thoughts and so on, and if you had any lingering questions I'd be happy to try to deal with those today.

I do think it's important to go back a little bit and put the entire deal in perspective. Everybody knows that it's two years and two days since the deal was first announced, but in fact it goes back further than that. It goes back to the early part of 2005 because as you'll remember when Secretary Rice visited in March of '05, that was when the proposal was made to engage in this negotiation. I've been involved in this process from the very beginning, right from the very beginning of the ideas, and so I remember very clearly the effect that that visit had, the excitement it created, and then it led to the negotiation which culminated in the July '05 visit by the Prime Minister to Washington.

So again, one has to go back in time and remember the statement made by the President of the United States, namely that the United States wished to assist India in its desire to fulfill its vision to become a world power, and this judgment was coupled with the proposal that we should address what would appear to be one of India's most serious challenges as it sought to realize that vision, namely to address the energy situation in India on a very broad basis. That is exactly what this proposal has done.

The reasons were, just to review those, first of all to address a real problem in India that would help India resolve its long-term challenge; and secondly, to address this major energy source, reduce India's dependence on outside energy, a clean source of energy, and so on. So this launched what is, as we look back, one of the most complex negotiations ever conducted in fully transparent fashion by two major democracies with both the Congress and the Parliament consulted and involved and the media fully involved and informed at every stage. And the outcome, of course, was never going to be perfect for all shades of opinion in each country, but the test is whether the outcome is broadly acceptable; and secondly, whether it is going to work as an agreement; and finally, whether it is the basis for a deepening strategic relationship between our two countries.

I think the answers to those questions are all yes. And as I said in my Op-ed piece this morning, there are two future challenges. One is to get the balance of the process accomplished; and secondly, to build immediately on the strategic relationship and begin to accomplish things between us as quickly as we can.

So I'd be happy to answer questions that anybody might have. Thank you very much.

Seema Guha, *DNA* [New Delhi]: Ambassador, how confident are you of getting the 1-2-3 Agreement passed in the U.S. Congress?

Ambassador Mulford: I think we're confident that we can get it through Congress but there are certain considerations that need to be borne in mind. One of those is the passage of time. [Inaudible] before the Congress the easier it's going to be because next year we move fully into an election year. This is probably going to make things somewhat more complex as the year goes on. So we hope very much that we can recreate the strong bipartisan support that was enjoyed at the time the House and the Senate both acted on the legislation. This would mean that we would hope that India would accomplish its IAEA Safeguards Agreement quickly, hopefully

with a period of a month or two; then we move to the Nuclear Suppliers Group where that group is convened and gives a clean change of rules; and then we go to the Congress where there is a requirement that a certain number of congressional business days are supposed to pass before the vote takes place. That is in the hands of the leadership, and our hope is that we could encourage the leadership to move that timetable quickly so that before too many months go by we actually get the vote.

Obviously that's probably the single most important consideration at this point in time. I think there is broad bipartisan support for India, and I think this agreement, although it will have its critics, broadly will once again be supported.

Ranjit Kumar, *Navbharat Times* [New Delhi]: Ambassador, The possibility of a nuclear test by India remains a contentious issue between the two countries in case either Pakistan or China conducts a nuclear test and India also conducts a nuclear test in reaction; what will be the U.S.'s reaction to that?

Ambassador Mulford: First if all, these are all speculative questions and I don't wish to engage in trying to answer who does what when somebody else has done something and so on. The agreement is very clear. It preserves the right of return which is required by U.S. law in this case. The President would have the discretion to require the return of fuel and other nuclear equipment in such circumstances. That has been clearly preserved in line with the Hyde Act.

India has itself declared that it does not intend to test. It has its own self-declared moratorium. I think if India decides to change that policy it understands that there would be political repercussions because we have our laws and they've acknowledged that, so I think they'd have to make that judgment on the basis of the situation at that time.

Ishani Dutta Roy, *Anandabazar Patrika* [Kolkata]: Mr. Ambassador, actually [inaudible] the question of India's relation with Iran. Mr. Nicholas Burns has just told a couple of [inaudible] that the U.S. would like to help India so that India will not need any energy from Iran. So is that the reason in [inaudible] when you seek the nodding from the Congress?

Ambassador Mulford: First of all, this agreement will permit India to develop its own nuclear, civil nuclear industry. The negotiation on this agreement was entirely concerned with normalizing civil nuclear relations

between the United States and India and also between India and the rest of the world, ending 30-some years of India's isolation. The development of India's civil nuclear sector will be a matter for India to address, as well as the government, and I suppose also private industry. There will be heavy participation in this process by industries in the United States and in other countries.

In my opinion this will be one of the civil nuclear industry's [inaudible] and therefore it's a very, very big development for India's future. I do not believe that India is considering using nuclear energy from Iran. I don't believe that's on the agenda at all. And Iran really didn't figure into these negotiations, strictly speaking, on the civil nuclear industry of India.

I think the only relevance of Iran here is that India's relationship with Iran will be very carefully reviewed and scrutinized by members of Congress as they approach the final vote on the 1-2-3 Agreement. This is one of Congress' concerns, but the administration is supporting this agreement and supporting its passage through Congress.

So I believe that fully answers the question.

Manisha Singhal, DNA [Mumbai]: Sir, if the treaty emphasizes on the civil nuclear trade, who will be the major beneficiaries? And can you further clarify more on India's concessions?

Ambassador Mulford: The most immediate beneficiary of the agreement is India, which as I said before, its isolation over the last 35 years comes to an end when this process is completed. It is brought into the non-proliferation system of the world on its present basis, and this is an extremely historic breakthrough for India. It will also serve as the basis, as I said before, for a major civil nuclear industry development in India. It will be, in my view, the largest in the world probably.

As to the concessions that were made, the whole point of the negotiation over the past two years has been to find the basis, a workable basis for both countries to recreate normalized civil nuclear relations. This has involved compromises and concessions on both sides. That's what these negotiations have been about.

There's been some very, very important concessions made by the United States, for example, one of which is the consent right for reprocessing. India has made concessions on its side.

So by and large, that's the definition of a successful agreement and negotiation.

Kumar Chellappan, *Deccan Chronicle*: [Chennai] Sir, in the supreme national interest, if India decides to go for a nuclear test, will the nuclear cooperation be with the donors for the Hyde Act? And I would like to ask one more thing, will there be full civil nuclear cooperation which includes supply of technology, equipment, components and so on in the area of uranium and enrichment reprocessing of spent fuel and heavy water technology?

Ambassador Mulford: Addressing the last part of your question first, I think the best thing is that you should consult the text when it's released, because these are very, very complex issues. The consent right for reprocessing is a major breakthrough for India. It is something that we were able to agree by virtue of the fact that India proposed to create and designate a specific reprocessing facility which would reprocess safeguarded fuel under IAEA safeguards. That basis of cooperation was enough to reach the agreement that we would grant the consent right and we now both have to engage in creating certain arrangements and procedures to bring that reprocessing activity to reality.

So I think that is a very, very important element.

As to the supply of nuclear technology, et cetera, that you referred to, that is an item that is dealt with under the Hyde Act. There are a couple of exceptions there which are made available, and if India wishes to move in that direction it would be possible to seek one of those amendments to move forward. But that was not one of the prime issues of the negotiation... *interruption*

U.S. law is very clear on this point. As I said, the possibility remains open there on that issue. And you should read the text of the agreement when it comes out.

As to the testing, testing by India was not dealt with in the agreement. The law in the United States is very clear, and India knows what that law is. The right of return, as I've said, has been preserved for the discretion in the event that something like that should happen. So that is a futuristic event which I believe is very probable. And there are efforts made in the agreement to conduct consultations and deal with these issues.

Srinjoy Chowdhury, *Times Now* [New Delhi]: Ambassador, how confident are you that China, which is a member of the NSG, will not veto the supply of fuel to India?

Ambassador Mulford: Well, until now they haven't said anything along those lines, but we have committed with India to seek the consensus in the Nuclear Suppliers Group, and we will work that issue as soon and as aggressively as we can once the IAEA safeguards arrangements have been negotiated by India and the IAEA.

Our consultations up until this time show that the NSG in general is favorable to this agreement, but of course they're going to want, like everybody else, to look at the agreement itself and reflect on it. But we're confident that we can move this forward.

Aditi Phadnis, *Business Standard* [New Delhi]: My question is you were there throughout the negotiations. The negotiations took two extra days to complete. Were there times during the negotiations when you felt like knocking a couple of heads? Were there people who walked out? Just tell us some of the stories there.

Ambassador Mulford: I've been present in all of the negotiations right back to the beginning, including those that took place in Washington at the time of the Prime Minister's visit, those that took place in New Delhi at the time of the President's visit, and all subsequent negotiations except a couple of contact points in Washington when I was still in Delhi. But for the most part I've been present at all the negotiating sessions.

At all times the atmosphere was friendly and constructive. Obviously there were periods when there was a certain frustration on both sides by virtue of the fact that it was taking a very long time and a lot of effort to work through this material. But I think everybody realized at the same time that we were dealing with something that was highly complex technically, and very, very politically sensitive on both sides. We were making a new path, as it were, in the non-proliferation architecture of the world, and therefore this was an extremely delicate and complex process.

So I would say during these negotiations at all times there was good will and good humor and earnest and good faith negotiations going on. Obviously both parties negotiated with strength and conviction so it wasn't always easy.

I think the most difficult time probably was the period late May/June at the time of Mr. Burns' last visit to India because that was the time when the final bottom line on both sides really began to be visible, and we could sort of get a feel for what was really going to break the deal or not. Therefore

when we convened in July after a certain amount of preparation on both sides, we both knew, both sides knew that this was the time to conclude the deal because if we didn't then there was some likelihood that the deal would languish.

So we engaged, as you know, very fully, senior people empowered to reach an agreement on both sides. The meetings were again, friendly. They took time. Not really because of any particular antagonism or difficulty along that line, but because the final problems that had to be resolved were very, very complex and they took repeated efforts at language and concepts and so on to reach the final workable arrangement.

I don't recall at any time that anybody walked out in a huff or that there was any strong feelings beyond one or two points where people said look, this is something we just have to have. But that's a sort of bottom-line discussion. It's not unfriendly. It's just the nature of a very difficult negotiation.

So all in all, I would say the entire process was conducted in a state of friendly and constructive engagement. I think this agreement really is historic for both of us, and for the world incidentally. It is an agreement that fits within the international architecture but has modified the position for India in a unique way on a one-time basis and will, as I've said, generate a unique future for India. And incidentally, serve in my view as the basis for a deepening strategic relationship between the United States and India.

Parul Malhotra, CNN-IBN [New Delhi]: As you know, the text of the agreement has not been made public as yet, but in the case of a test we're made to understand that the U.S. will help India source alternative fuel supplies from other countries before it takes back its fuel, material, technology, et cetera. Could you confirm that for us? That's one.

Second, is there a distinction in the way that the U.S. will react in the scenario that India tests voluntarily versus India tests say after an American test? Is there a distinction in the way the U.S. would react to these scenarios, sir?

Ambassador Mulford: Well, as I said before, one has to go back to the point that the testing issue is not mentioned in this agreement. This was a civil nuclear agreement, exclusively concerned with India's civil nuclear industry. It was not a negotiation over India's strategic nuclear capabilities. And that was the case from day one, and that was carried through the entire negotiation.

As I said before, there is U.S. law on this matter and the U.S. law was observed and accepted by India as something that was not going to change. The right of return, as I've explained before, which is a discretionary right the President has under certain circumstances, has been preserved.

The question of what happens "if" is purely speculative. It's impossible to lay out in any very concrete way what might happen; the circumstances that might bring about a situation of the type that you asked about. We are assuming and operating on the basis that that situation will not occur, and that India's commitment to its unilaterally declared moratorium on testing will hold up. And that this is a problem we won't have to face.

But as you noticed and as you will see in the agreement, there were certain assurances provided by the President in negotiation actually with the Prime Minister back in March of '06, when the four points were laid out with regard to assurances on the supply of fuel. Those have been incorporated word for word in the agreement, so you will see those there. They will be laid out very very clearly.

The United States has indicated a willingness to help India create a strategic fuel reserve and in that reserve the U.S. fuel might conceivably be recallable, but fuel from other sources would not be, for example.

So the United States delineated this position very, very carefully. We also pledged to engage other countries in the supply business under certain circumstances to assist in the continuation and continuity of supply.

So I think you'll find there that the arrangements are pretty concrete and they're based really on principles and not on a particular event which nobody can foresee. So in my judgment, India has come out of this with a very, very secure position and it will have to be India's judgment as to whether or not that's adequate. In the negotiation it was judged to be so, and it's been accepted by the Government of India, and therefore, I'm assuming that this is a workable proposition and we will all abide by it.

Kumar Chellappan, *Deccan Chronicle* [Chennai]: I missed the answer on my first question on testing, if India conducts a nuclear test what will happen to the deal? And another question I would like to ask is, why United States and India have deliberately come to an understanding not to make public the text of the 1-2-3 Agreement? Do you have anything to hide?

Ambassador Mulford: The public release of the text is something that was agreed in Washington, that we would freeze the text for the time being

and that we would agree on the subsequent announcement which we've done and made, and on the release of the text. The text will be released when both governments have decided it is the appropriate time.

On the Indian side, I think their concern is they would like to release the text to the Parliament. When they decide to do that I think is not fully decided, but my guess is it will be very, very soon. And on the U.S. side, we will release the text when India releases the text. Because we are not at this moment under a compulsion to release the text because we do not have legislation put before the Congress. So the text will be released in both capitals at the time agreed, and I suspect that will be a matter of a few days. And there is nothing to hide as a result of this at all.

Smita Sharma, *IBN7* [New Delhi]: Mr. Ambassador, any update on the possible visit of the Secretary of State?

Ambassador Mulford: No. I think she very much wants to visit, but is really thinking about sometime this autumn, but there is no date set at this time.



APPENDIX - XXVII

Support from the Corporate Sector of India to the Nuclear Energy Cooperation Agreement with the United States.

New Delhi, August 14, 2007.

A Hindu report on August 15 suggested that an impressive 79 per cent CEOs of top-of-the-line companies in India gave the thumbs up to the India-U.S. civil nuclear deal which they consider would go down in history as one of the most important achievements of Prime Minister Manmohan Singh.

An ASSOCHAM Business Barometer (ABB) quick survey of 389 corporate heads revealed that a vast majority of the CEOs polled lent a strong support to Dr. Singh who, they said, had shown "extraordinary resolve" to take India to the front-ranking nations by ensuring that the country got its fast growing energy requirements met from various sources.

"We cannot have a situation where we aspire to become a global economic powerhouse but get bogged down in political ideologies," ASSOCHAM president Venugopal Dhoot said.

As many as 72 per cent of the ABB respondents agreed with the assessment of the country's top scientists that India needed access to international technology which was possible if the Nuclear Suppliers Group agreed to India's commerce in civil nuclear energy.

Many of scientists said it was time nuclear power generation was stepped up substantially to India's energy generation, using Fast Breeder Reactors.

Estimates suggest that the 123 Agreement would open up investment opportunities worth \$ 40 billion over the next 15 years to step up nuclear power generation, with leading U.S. firms willing to forge joint ventures with the Indian firms - both in the private and public sectors.

However, after the agreement is operationalised, India would need to amend its Atomic Energy Act, which limited nuclear energy within the domain of the Nuclear Power Corporation.

The company heads felt that once India was able to do global nuclear commerce it would not only enhance the country's indigenous programme with imported fuel but also help accelerate nuclear power with the best of the imported power plants. As many as 86 per cent of the CEOs, polled by the ABB across different segments, believe that India-U.S. relations have been scaling a new high. They also feel that better economic relations will lead to improved political ties.

To a question whether the Prime Minister should compromise on the civil nuclear energy deal with the U.S. under political pressure, 68 per cent of the CEOs wanted Dr. Singh to show the resolve of a strong leader.

They wanted the Prime Minister to remain firm and were confident that those opposing it in the U.S. would also come round to the mutual benefit that the deal offered.

"We agree with the Prime Minister that it was important to maintain the current GDP growth rate of 8 to 10 per cent per annum if we have to eradicate poverty," the ASSOCHAM chief said.

As many 83 per cent ABB respondents said the country should not be seen as divided when it came to foreign policy issues. The government of the day deserves full support on this key agreement from different sectors of society - politics, academia, intellectuals, scientific community and the business houses.



APPENDIX - XXVIII

Media Briefing by Spokesperson of the Pakistan Ministry of Foreign Affairs on India - US Nuclear Energy Cooperation.

Islamabad, August 20, 2007.

When her attention was drawn to the debate in India over nuclear tests after the Indo-US nuclear deal and her views were sought as to how this was viewed by Pakistan with reference to her prior comments about the Indo-US nuclear deal having a negative impact on the security and safety of the whole region, and also asked for comments on Australian refusal to sell Uranium to Pakistan even though it was willing to sell it to India, the Spokesperson said:

We are following closely the controversy reflected in the statements emanating from Washington and Delhi about India 's right to conduct nuclear test within the context of the US-India nuclear deal. We take seriously the assertions by Indian leadership about the possibility of renewed nuclear testing. This should be a source of concern not just for Pakistan but also for the international community especially when Indian weapons capability would be augmented by the agreement as well as by India 's access to technology and fissile material.

On its part, Pakistan continues to adhere to its unilateral moratorium on testing. We had also proposed to India a bilateral nuclear test ban agreement. Resumption of nuclear tests by India would create a serious situation, obliging Pakistan to review its position and to take appropriate action consistent with its supreme national interest.

As regards, the comments we have already issued a statement regarding the unwarranted and uncalled for statement. We have already made a statement about that. Therefore, I do not need to go into that.

Like the US-India agreement, decision by Australia to sell uranium to India is a matter to which warrants close attention. Any development that can impinge on the strategic balance in South Asia is a matter of vital concern to us. Pakistan does not want an arms race in South Asia but at the same time, we are determined to maintain a credible minimum deterrence in the interest of strategic balance which is indispensable for peace in the region.

I would like to repeat what we have been emphasizing consistently that Pakistan also has energy needs and its future energy procurement plans include development of civil nuclear power plants. We want to develop civil nuclear power generation under international safeguards. We hope and expect that the NSG member countries would be sensitive to our needs.

Pakistan is fully committed to nuclear non-proliferation. For the effectiveness of global nuclear non-proliferation regime, Pakistan must be viewed as a partner.

Asked, if as stated that Pakistan would like to have a deal with US on the patterns of the Indo US nuclear deal, did that also mean that Pakistan would like a similar deal with Australia , the Spokesperson said:

We are not talking about any specific country. We are saying that NSG should adopt criteria based approach and as expanding and growing economy we have our energy requirements.

We also want to build and develop civil nuclear power plants to meet our energy requirements. Asked, with reference to various US Presidential candidates comments regarding direct strikes inside Pakistan , how long Pakistan would continue to tolerate those threats and how long it would continue to kill its own nationals at the behest of the US , the Spokesperson said:

When you say we had our people killed at the US behest, you are insulting yourself and your own country. We are not doing anything for anyone else's sake. As regards the statements, we do not want to get dragged into the election debates in the US . These are statements by individuals. We have to look at what the US officials have to say. There have been some statements and we have responded to them.

Asked, for comments regarding Pakistan-China civil nuclear agreement, the Spokesperson said:

We have a long standing cooperation with China. This question has been asked umpteen times and I have already responded to it¹.

Asked for information regarding the Pakistan-US Strategic Dialogue, its

1. Along with the Pakistan denial, the Chinese Foreign Ministry on August 20 too denied reports that Beijing and Islamabad were in the process of negotiating a civilian nuclear energy agreement along the lines of the Indo-U.S. deal. "There is no such deal in the making," said a statement from the Foreign Ministry spokesperson's office in response to a question posed by *The Hindu*?. *The Hindu* story on August 22 from its Beijing

agenda and when it would start as well as the purpose of Mr. Negroponte's visit, the Spokesperson said:

The response to your second question is in your first question. Mr.

Correspondent Pallvi Iyer makes an interesting reading in this context: "Having been rebuffed by the United States in its attempts to secure a nuclear energy deal for Pakistan similar to the Indo-U.S. one, Islamabad has been actively seeking Beijing's assistance instead. The matter was reportedly broached during Pakistan President Pervez Musharraf's visit to China early last year as well as during Chinese President Hu Jintao's return visit to Islamabad later in the same year. However, on neither occasion was any formal deal announced although Beijing reassured its "all-weather ally" of its continuing support on all strategic matters including energy cooperation. China has already provided Islamabad with assistance in installing two nuclear power plants at Chashma in the past. Pakistan has reportedly asked for assistance with the building of a number of further such plants. China's official media has been scathing in its response to the Indo-U.S. deal. Last week, the main Chinese Communist Party newspaper, the *People's Daily* accused the deal of "double standards," adding that it was likely to "damage the existing non-proliferation system." To China, the 123 Agreement has, from its inception, represented a potent strategic alliance between the United States and India aimed at counter-balancing China's rise in the region. The ongoing political controversy in India engendered by the 123 Agreement has been discussed in detail in the official Chinese media with hopes being expressed that opposition from the Left parties will scupper the deal. It is the United States that is identified in outright negative terms in these commentaries, with the *People's Daily* accusing the U.S. of "hegemonic ideas" and being unconcerned about "others' opinions." The newspaper went on to assert that the U.S. clearly intends to draw "India in as a tool for its global strategic pattern. "India, on the other hand, is not directly criticised and is instead described as "wanting to seize the opportunity to rise as a big power," out of "practical political considerations." *The People's Daily* commentary ended with the hope that "India's DNA doesn't allow itself to become an ally subordinate to the U.S., like Japan or Britain." China's support for the Indo-U.S. deal will be crucial at the Nuclear Supplier's Group (NSG). While Beijing has been ambiguous about its intentions if the deal is put before the NSG, some analysts have stated that China may attempt to force through an exception for Pakistan as well, as a precondition to its acquiescing to the agreement. Most experts, however, feel that if push comes to shove, China will not risk the international censure it will face for entering into a nuclear deal with a known proliferator such as Pakistan. "China and Pakistan already have some cooperation in nuclear energy. That cooperation will continue but I do not see any special deal like the U.S.-India agreement emerging" says Professor Rong Ying, a South Asia analyst at the China Institute for International Relations. He concludes, "I think China realises such a deal with Pakistan would not be good for China." When Indian Prime Minister's Special Envoy Shyam Saran visited China in August to seek Beijing's understanding as a member of the Nuclear Suppliers' Group, he noticed certain amount of reservation. China "envisaged bilateral cooperation" with India in "the peaceful uses of nuclear energy," Beijing conveyed this message to Mr. Saran. This was stated by Shyam Saran in Singapore on August 30th. China, however, maintained that "such cooperation [with India] should not, in any way, undermine the [international] non-proliferation regime," he said. Commenting on Beijing's "wish" to engage New Delhi in this fashion, Mr. Saran said: "It is our stand that the India-U.S. nuclear deal, by no means, undermines the non-proliferation regime. Our view is: it even strengthens the international non-proliferation regime. But, what China's own stand would be on this issue will be apparent when this matter comes up before the Nuclear Suppliers Group, of which China is an important member. So, just wait and see what China says."

Negroponte is coming here for the second round of the Strategic Dialogue. Strategic Dialogue entails review of the full range of bilateral relations and our bilateral cooperation in a number of areas e.g. education, science and technology, Reconstruction Opportunity Zones, bilateral trade, energy and political relationship. As Mr. Boucher had already mentioned he will be here around the 11-12 September, 2007.

Asked, for comments regarding the US role in the much talked about deal between President Musharraf and Benazir Bhutto and the recent comments of Chaudhry Nisar, the Spokesperson said: I have no information and I have no comments.

Asked with reference to her earlier response that if India conducted a nuclear test, Pakistan would have to revise and review its own policy, if Pakistan had discussed this issue with the global community, the Spokesperson said: We have made our position known.

Asked if Australia provided Uranium to India , what would be the situation of Dr Abdul Qadeer, the Spokesperson said: What is the link?



APPENDIX - XXIX

Statement by a group of intellectuals in opposition to the India - US Nuclear Cooperation Agreement.

Chennai, August 23, 2007.

A group of prominent intellectuals has urged the United Progressive Alliance (UPA) Government to "not be in a hurry to take the next steps in the India-U.S. bilateral nuclear cooperation agreement.

"A statement signed by Aijaz Ahmad, Amiya Bagchi, Utsa Patnaik, Nirmal Chandra, Sunanda Sen, Prabhat Patnaik, Javeed Alam, Jayati Ghosh, C.P. Chandrashekhar , M.K. Bhadrakumar, K.N. Harilal, Anuradha Chenoy, Madhura Swaminathan, V.K. Ramachandran, Geeta Hariharan, Mohan Rao, Ritu Dewan, Praveen Jha, Vikas Rawal, Ayesha Kidwai, Archana Prasad, Smita Gupta, Dinesh Abrol, Rahul Roy, C.P. Narayanan, Kamal Mitra Chenoy, and Prabir Purkayastha has urged the Government of India "not to be in a hurry to take the next step in the India - US bilateral nuclear cooperation agreement. They said:

"We call upon the UPA government not to be in a hurry to implement the India-U.S. Bilateral Nuclear Cooperation Agreement. A majority in the Indian Parliament is opposed to this 'Deal'. Meanwhile, the U.S. Congress itself has passed extensive legislation, known as the Hyde Act, which specifically circumvents the assurances Prime Minister Manmohan Singh gave to our Parliament before that Act came into force in the US. Supreme legislatures of the two countries evidently hold positions that are irreconcilable.

"Considering that a majority of the Indian Parliament is opposed to the 'deal' as it currently stands, it is outrageous and despicable to suggest that a section of this opposition is taking its cue from China or Iran or elsewhere, or that foreign policy is being 'communalised'. No one needs a certificate of patriotism from the communal forces and their friends in the media. As always, and especially in matters of foreign policy, we want the nation to speak in one voice. Foreign forces can wait while we build such a consensus within our own democracy.

"This 'deal' is part of a strategic design that began evolving with the secret Jaswant-Talbot negotiations and has been pursued by the NDA and UPA governments alike. India is fast becoming a member of a military alliance that includes not just the U.S. but also other countries such as Australia, Japan and Singapore. This has far-reaching implications for our sovereignty, independent foreign policy and relations with other Asian countries.

"We need time for a national debate on all such issues. The Left Parties have acted in a most responsible fashion in refusing to join the BJP-inspired moves to bring down this government. They have not demanded that the agreement be repudiated as such. We support the contention that the government not be in a hurry to take the next step that the U.S. side is demanding of us, and that it initiate comprehensive mechanisms for all-sided discussions with a view to developing a national consensus¹."



1. At an international conference organised in New Delhi on September 8 by the Coalition for Nuclear Disarmament and Peace, Heinrich Boll Foundation, and Popular Education and Action Centre, experts and activists from the U.S., Germany, Pakistan, Nepal and India analysed the deal's strategic dimensions and its implications for security and India's energy future. In his keynote address, economist Jean Dreze stressed the immorality of nuclear weapons, the irrationality of nuclear deterrence and the dangers of a "nuclearised" South Asia. He said the deal violates various international norms, treaties and United Nations resolutions. Other speakers warned against the harmful consequences of this collusive strategic arrangement between India and the U.S., which is pursuing global

military dominance. Andrew Lichterman (U.S.) said the deal is part of a larger project of integrating the two countries' elites - at the cost of peace and people's welfare. Other panelists said the deal was related to the U.S. push towards Empire through building a global alliance system. There was unanimity that the deal would aggravate the nuclear arms race in South Asia and the Asian continent and further weaken the already feeble momentum for regional and global disarmament. The present moment poses new, unique dangers in a world that has greatly changed since the end of the Cold War. Contrary to the claim that the deal will cap India's nuclear arsenal, it will allow India to greatly increase weapons-grade plutonium production, sufficient for as many as 40 bombs every year, in addition to India's estimated inventory of 100-150 bombs. Speakers, including Kanak Mani Dixit (Nepal), A.H. Nayyar (Pakistan), Praful Bidwai (India), and Oliver Meier (Germany), spoke on serious misgivings about the deal in Pakistan, Bangladesh and Nepal and Europe, and the grave dangers of a regional nuclear arms race initiated through it. In response to it, Pakistan was greatly accelerating its fissile material production. As regards nuclear power, the speakers argued that the deal was being wrongly promoted in the name of energy security. Experience from the world over, especially India, showed that nuclear power could not be the route to energy security. It is environmentally unsound, highly accident-prone and generates radioactive waste that remain hazardous for tens of thousands of years. Speakers, including Felix Matthes (Germany), Sudha Mahalingam, Sanghamitra Gadekar and M.V. Ramana (India), said nuclear power was two to three times more expensive than conventional or renewable energy. Its rapid growth was infeasible. It cannot make a significant contribution to tackling climate change and was inappropriate for India's specific needs. Besides, there were commercially viable, environmentally sustainable, strategies such as increased efficiency and promotion of renewable energy sources.

APPENDIX - XXX

Statement by a group of former Scientists of the Bhabha Atomic Research Centre on the Civil Nuclear Energy Agreement with the United States.

Mumbai, August 30, 2007.

Noting that the India-U.S. nuclear deal was in the interest of the country, former scientists of the Bhabha Atomic Research Centre (BARC) have said that the agreement should not be hijacked by political parties.

"With the country's ever-increasing energy needs and with a view to ending the 33-year-long nuclear isolation, the importance of the deal has to be understood by the people of India and should not be hijacked by the Opposition and the parties supporting the government," the scientists said in a statement.

They condemned the Opposition and the Left parties for questioning the integrity of Prime Minister Manmohan Singh over the civilian nuclear agreement.

"India-U.S. Cooperation on the Civilian Nuclear Programme and the Agreement is now being called a 'deal' and our Prime Minister is being targeted as if he has made some underhand 'deal' with the U.S.," the statement said.

"Some political parties, including ones supporting the government, are doubting the integrity of the Prime Minister and this is a matter of national shame," said the statement signed by A.K. Anand, former Director, Reactor Projects Group and Director Technical Coordination and International Relations Group, and others.

"The Opposition is talking of the Hyde Act and saying that if India carries out a nuclear test in future, all nuclear cooperation will end. But we do not even know if at all and when, in the distant future, a test will be required by the nation," it said.

The statement, which has been widely circulated among the nuclear scientists and industries, pointed out that the whole agreement is about the civilian nuclear cooperation and in no way will it hamper the weapons programme.

"Our weapons programme will continue as it always has been, with our own reactors, reprocessing plants, enrichment plants and heavy water plants.

"We are not going to be giving the design and technology to any one; why, then are we pointing out that the U.S. will not give these technologies as part of the civilian agreement?"

Dwelling on the past tests and India's strengths, they said, "We had been isolated because of sanctions since 1974. The DAE [Department of Atomic Energy] scientists, engineers and technologists took up the challenge and after more than 30 years' efforts have brought the nation to this stage of strength and pride which has made the western countries shake hands with us."

The politicians should not think about scuttling the whole process of integration, they added. "But after all the recognition, why should we go back to isolation as we fear that future isolation may be more severe," they cautioned.



PPENDIX - XXXI

Report on the Conference of Intellectuals on the question of Civil Nuclear Energy Cooperation Agreement between India and the United States.

New Delhi, September 8, 2007.

Intellectuals and energy analysts from different countries criticised the Indo-U.S. nuclear deal on the ground that it is bad for peace, draw India into Washington's strategic orbit and promote nuclear power, which is hazardous, accident-prone and costly.

At an international conference organised by the Coalition for Nuclear Disarmament and Peace, Heinrich Boll Foundation, and Popular Education and Action Centre, experts and activists from the U.S., Germany, Pakistan, Nepal and India analysed the deal's strategic dimensions and its implications for security and India's energy future.

In his keynote address, economist Jean Dreze stressed the immorality of nuclear weapons, the irrationality of nuclear deterrence and the dangers of

a "nuclearised" South Asia. He said the deal violates various international norms, treaties and United Nations resolutions.

Other speakers warned against the harmful consequences of this collusive strategic arrangement between India and the U.S., which is pursuing global military dominance. Andrew Lichterman (U.S.) said the deal is part of a larger project of integrating the two countries' elites - at the cost of peace and people's welfare.

Other panelists said the deal was related to the U.S. push towards Empire through building a global alliance system. A lively packed auditorium disagreed with a Pakistani panelist's (Ejaz Haider) contention that it would not be right for a Pakistani to comment on the deal.

There was unanimity that the deal would aggravate the nuclear arms race in South Asia and the Asian continent and further weaken the already feeble momentum for regional and global disarmament. The present moment posed new, unique dangers in a world that has greatly changed since the end of the Cold War.

Contrary to the claim that the deal would cap India's nuclear arsenal, it allowed India to greatly increase weapons-grade plutonium production, sufficient for as many as 40 bombs every year, in addition to India's estimated inventory of 100-150 bombs.

Speakers, including Kanak Mani Dixit (Nepal), A.H. Nayyar (Pakistan), Praful Bidwai (India), and Oliver Meier (Germany), spoke on serious misgivings about the deal in Pakistan, Bangladesh and Nepal and Europe, and the grave dangers of a regional nuclear arms race initiated through it. In response to it, Pakistan greatly accelerated its fissile material production.

As regards nuclear power, the speakers argued that the deal was being wrongly promoted in the name of energy security. Experience from the world over, especially India, showed that nuclear power could not be the route to energy security. It was environmentally unsound, highly accident-prone and generated radioactive waste that remain hazardous for tens of thousands of years.

Speakers, including Felix Matthes (Germany), Sudha Mahalingam, Sanghamitra Gadekar and M.V. Ramana (India), said nuclear power was two to three times more expensive than conventional or renewable energy. Its rapid growth was infeasible. It could not make a significant contribution to tackling climate change and was inappropriate for India's specific needs.

Besides, there were commercially viable, environmentally sustainable, strategies such as increased efficiency and promotion of renewable energy sources.



APPENDIX - XXXII

Press Report on the meeting between the Congress Party and the Left Parties on the India-US Nuclear Energy Cooperation.

New Delhi, September 19, 2007.

The United Progressive Alliance-Left committee on the nuclear deal with the United States, at its second meeting on September 19. It discussed a “number of issues” and decided to hold talks again on October 5. (The first meeting took place on September 11.)

Describing the talks as constructive, External Affairs Minister Pranab Mukherjee said these were largely based on the notes exchanged.

(Last week, the Left parties submitted a note to the government and the latter gave its reply on September 17. In reply the Left parties came out with a 12-page note.)

“We covered some ground and the discussions mainly focussed on the Hyde Act and its implications on the country’s self-reliant nuclear programme and the 123 agreement,” Communist Party of India (Marxist) general secretary Prakash Karat told *The Hindu* after the two-hour meeting. Both sides explained their positions, said Communist Party of India national secretary D. Raja. “Discussions are progressing; there is no need for showing any hurry,” CPI general secretary A.B. Bardhan said when asked about Mr. Karat’s warning to the government on Tuesday to put on hold operationalisation of the deal at least for six months¹.

1. On the same day the U.S. Ambassador to India David Mulford called on Prime Minister’s Special Envoy on the nuclear deal, Shyam Saran, to discuss the future of the pact. According to media reports, he sought to assess the stance the government might take in the light of the demand by the Left parties to hold it in abeyance for six months, said informed sources. Mr. Mulford met Mr. Saran a day after he urged India to take the “last steps” towards operationalising the deal. This runs counter to the plea, on the same day, of Communist Party of India (Marxist) general secretary Prakash Karat to the United Progressive Alliance (UPA) government not to buckle under U.S. pressure and let

Union Ministers Lalu Prasad, T.R. Baalu, Kapil Sibal and Saiffudin Soz were present at the meeting.

The Left Parties felt many provisions of the Hyde Act were contrary to the promises made by Prime Minister Manmohan Singh in August 2006. In the Left's perception, under the terms set out by the Act, it was clear that the cooperation would not cover the entire nuclear fuel cycle. It denied cooperation or access in any form whatsoever to fuel enrichment, reprocessing and heavy water production technologies. The Left reportedly said: "The denial extends to transfer of dual use technology and covers items that could be used in fuel enrichment, reprocessing or heavy water production facilities. The contentious provisions remain in the Hyde Act Section 102 (13) and Section 103 (a)(6), Section 104g (2) E(i) and a few other Sections to which we object and want a clarification."



Parliament debate the deal first. According to media reports the Ambassador also discussed the steps that should be taken to implement the deal within a few months. Piqued by the reports of Mulford's activities, the CPI(M) Polit Bureau said "the UPA government should tell the country whether it plans to adhere to this [Mr. Mulford's] time frame or examine the serious objections raised to the agreement." The CPM sought to remind the UPA that the majority in Parliament was against proceeding with the agreement. "More importantly," pointed out the CPI(M), "by talking of moving from '123' to '456', the U.S. Ambassador has set out the contours of the 'comprehensive relationship' being forged with the U.S. which encompassed defence, economic and strategic collaboration."

APPENDIX - XXXIII

Report on the discussion between the UPA Coalition Partners and the Left Parties supporting the Government on the Civil Nuclear Energy Agreement with the United States.

New Delhi, October 19, 2007.

The ratification of the bilateral Indo-US 123 civil nuclear agreement by the American Congress would render infructuous the domestic US law, the Hyde Act, which the Left fears would impinge on India's sovereignty and strategic growth.

The government on 17th September dispatched a 12-page note to the leaders of the four Left parties arguing why India's nuclear agreement is better than the ones signed by China and Japan with the US. The note point-by-point answered the questions that the Left had raised in an earlier note sent to UPA representatives in the Left-UPA political committee set up to resolve differences on the deal. Both CPI (M) general secretary Prakash Karat and his counterpart in the CPI, AB Bardhan said the government's answer would be discussed when the committee meets for the second time on September 19. But Bardhan was categorical about the Left's stand on the nuclear issue, "We are against the 123 agreement because of the impact of the Hyde Act (on the agreement)."

The Left had posed the question on how the Hyde Act and other US domestic laws would apply to the agreement. "The government has interpreted the US laws in its own way. In the note, it said that US domestic laws would have no bearing on the agreement once US Parliament passes it," Forward Bloc's Debabrata Biswas said.

The Left had also questioned the cost effectiveness of nuclear power. The government, according to Biswas, has argued that it would be both cost effective and viable. It also said that nuclear power was the only answer to India's energy demands. "Our point is how are you saying this when there are so many other sources, like hydel power. Nuclear power should be our last option," Biswas said.

The note, pointed out that once the deal is ratified, India would come out of nuclear isolation and uninterrupted fuel supply would be guaranteed. "We know from earlier experience, what the US can do. The Prime Minister had

also assured the Parliament about fuel supply. But our stand is that they can terminate the supply any time," Biswas added.

Describing the talks as constructive, External Affairs Minister Pranab Mukherjee said these were largely based on the notes exchanged. "We covered some ground and the discussions mainly focussed on the Hyde Act and its implications on the country's self-reliant nuclear programme and the 123 agreement," Communist Party of India (Marxist) general secretary Prakash Karat told *The Hindu* after the two-hour meeting. Both sides explained their positions, said Communist Party of India national secretary D. Raja. "Discussions are progressing; there is no need for showing any hurry," CPI general secretary A.B. Bardhan said when asked about Mr. Karat's warning to the government on September 18, to put on hold operationalisation of the deal at least for six months. Union Ministers Lalu Prasad, T.R. Baalu, Kapil Sibal and Saiffudin Soz were present at the meeting. The Left parties apparently maintained that under the terms set out by the Act, it was clear that the cooperation would not cover the entire nuclear fuel cycle. It denied cooperation or access in any form whatsoever to fuel enrichment, reprocessing and heavy water production technologies, Left sources said. "The denial extends to transfer of dual use technology and covers items that could be used in fuel enrichment, reprocessing or heavy water production facilities. The contentious provisions remain in the Hyde Act Section 102 (13) and Section 103 (a)(6), Section 104g (2) E(i) and a few other Sections to which we object and want a clarification."



APPENDIX - XXXIV

Interview of Former Chairman of the Atomic Energy Commission M. R. Srinivasan with *the Hindu*.

Chennai, November 2, 2007.

[M.R. Srinivasan: "We do expect a significant improvement in uranium mining in the next, say, three or four years." The debate over the 123 agreement with the United States has generated much heat. The former chairman and present Member of the Atomic Energy Commission (AEC), M.R. Srinivasan, believes India is growing in strength and economic independence and that such a deal will accelerate the several positive gains made by the country. Excerpts from an interview with Dr. Srinivasan in Kochi:]

Could you tell us what is the way out of the current impasse over the nuclear deal with the U.S.?

It looks as though that, one option is that the government manages to convince the Left that their concerns on compromises to India's foreign policy and sovereignty are not well founded. If that were to happen, then, there will be a way forward. On the other hand, if, while looking at Mr. Brajesh Mishra's [former National Security Adviser] reported interview where he said he personally is in favour of the agreement if there is no compromise on the strategic programme and if that were to be the view of the BJP, then perhaps the BJP could support the agreement. But this seems to be contradicted by what Mr. Rajnath Singh [BJP president] said recently. So we do not quite know whether they have made up their mind and [if] Mr. Singh's position is the final one.

If neither the BJP nor the Left want to support this agreement, and with the clearly stated position of the UPA, which is against this, I really see that it appears to be a case of a stalemate.

Do you think the U.S. government will wait till the ruling party here convinces the Left about the urgency of the deal, at least by December?

Well, they have to wait. What else can they do? They cannot set up a deadline and say that if you do not conclude the deal by so-and-so date, the deal is off. They can't say that. Their problem is, they have a time table. If the approval of the U.S. Congress is not secured sometime around the spring of 2008, then they get busy with their electoral process. In that sense, there is a timeline. Otherwise they really cannot indicate a timeline and say stick to it.

There are several people who want the country to use its abundant thorium resources to generate nuclear power. Is it possible to go to the third stage bypassing the first and second stages?

No, it is not possible at all. Technologically it is not possible; we have to have plutonium to start the Fast Reactors which can convert thorium into uranium 233. Now there is another situation, also called 'sub critical assemblies' with accelerated driven systems, but even for that we require fissile material, say plutonium, in addition to thorium. So, that is not possible. We still require this two to three decades of initial time.

If the deal does not come about, what will be the impact on India's power-generation programme? Can we make do with coal, imported oil and gas, wind, solar energy?

Yes we have to do that. We have no choice in the matter. If the deal does not come through, we have to have a higher emphasis on coal, gas, hydro, and also intensify efforts on solar and wind. In any case, they need to be intensified. I would say, notwithstanding what happens in this deal, we should intensify our efforts to tap solar and wind and other non-conventional sources of energy. That must be done as a matter of priority. And we will have to do it even stronger. Although, they cannot, in the near-term, take the place of nuclear power, which in the near-term could be significant, if they have access to outside technology and fuel.

Now that the capacity factor of nuclear stations has fallen from 90 per cent to almost 50 per cent, what is the way out? Can we go in for mining of natural uranium in the North-East?

Yes, action is now being taken to open up new mines, and to add new mills, notwithstanding the difficulties of local opposition and so on. They are all being resolved. So, we do expect a significant improvement in uranium mining in the next, say, three or four years.

You have been talking about a 300 megawatt Advanced Heavy Water Reactor. When is it likely to become operational?

Construction is going to start next year. It will take about four to five years. This will be the first of its kind in the country. Though it is only a 300 MW reactor, it is very important in that it is the technology of the future that we want to work on. In that sense, it is very important.



APPENDIX - XXXV

Full Text of an open letter sent by former military chiefs, bureaucrats and scientists to Members of Parliament on the eve of the Winter Session of Parliament.

New Delhi, November 14, 2007.

Parliament is about to debate what is known as the Indo-US Nuclear 'deal'. We, the undersigned, who venture to claim some experience in serving our country's national security interests, venture also to suggest that, in considering the issues involved, you view them in the one perspective which we believe transcends all others: that of India's evolution as one of the principal powers in the community of nations.

It has been generally expected ever since our Independence that India's size, strategic situation, civilisation, not least the talents of its people, were bound to make us one of the most significant influences in the shaping of the modern world. A major obstacle to our full achievement of that position has been the denial of the high technologies, particularly those related to security needs, which have enabled some self-selected powers to forge well ahead of us. We will continue to be denied access to such technologies unless the international community agrees to remove the existing sanctions. In opening the way to such an outcome, what is formally a bilateral agreement between us and the USA is actually the basis for agreement with the international community.

That community, including friends who have previously helped us, combines to impose crippling constraints not only on our nuclear programme but, by withholding so called dual-use technologies, on a wide range of possibilities for improving the lives of our people. We cannot, for instance, get Russian reactors without proceeding with the Indo-US agreement. We are also left facing the question of how else to develop the nuclear energy which, howsoever small a percentage of our enormous needs, can meet them significantly. Existing constraints can only be removed through an agreement with those who impose them, which this accord makes possible.

Nobody can claim the deal is perfect, or gives us everything we would have liked. But all international agreements require movement away from one's first preferences. All too often in our history we have suffered by insisting on the ideally desirable and rejecting what is attainable. The key questions are: can we do better without the agreement, or, can we get a better one?

The answer to the second question is surely no. The agreement has given us as much as it has because of a most particular combination of circumstances which can hardly come again. To the contrary, there are forces at work internationally that will only complicate our position - eg. the growing pressure for a Comprehensive Test Ban Treaty, or the growing potential of American opponents of the agreement.

As for holding out for something better, we must examine dispassionately the two main charges against the present deal: that it binds us not to test, and that it 'caps' our nuclear arsenal. It is perhaps not sufficiently realised that even under the Non-Proliferation Treaty - from which we are being exempted - a state can opt out and conduct a test if it feels that is vital to its security, provided it is prepared to face the consequences. Nothing in the Indo-US agreement prevents us from doing likewise. Rights are not bestowed by others: they are what one is capable of exercising. The fear that the agreement negates our sovereign right to test is to overlook our sovereign right to abrogate. The real issue is facing the consequences, which is entirely a matter, not of laws and agreements, but of our self-confidence. What is called the international community has long sought to stop our testing by threatening penalties. We faced those when we thought necessary; we can do so again. The point of relevance is that if we ever decide to end our unilateral moratorium on testing, the international reactions can be no worse if we complete this deal than if we forego it.

Similarly, our right to produce as many weapons as we want is not abstract. We have adopted a self-limiting doctrine - to confine our arsenal to provide a credible minimum deterrence. If circumstances arise obliging us to change that doctrine and produce more weapons, we are as free under the agreement as we are without it. The Prime Minister has clearly stated that we cannot agree to fissile-material cut-off unless they allow for our security concerns.

We realise that there are many Indians, no less concerned about our security interests than ourselves, who disagree with us. Democracy demands and thrives on differences of opinion. We only urge that opinion be shaped by facts and reality.

One other objection to the agreement has lately been raised: beyond its specific provisions is the charge that the agreement makes us subservient to a particular foreign power. Without entering into the rights and wrongs of this view, we would draw attention to an objective fact: international relationships are shaped by strength, the stronger you are the greater your

freedom of action. We believe India is more vulnerable to foreign pressures without this agreement than we would be by increasing our strength through an intelligent use of it to put through various development programmes which currently falter. To revert to our initial point, this agreement should be viewed as an instrument for making us that stronger power, confident of itself and of the respect of others, that counts more and more in the world, and can do more for its people.

Issued in New Delhi on November 14, 2007

THE SIGNATORIES

Marshal of the Air Force Arjun Singh, former Chief of Air Force

Air Chief Marshal O P Mehra, former Chief of Air Force

General V N Sharma, former Chief of Army Staff

General V P Malik, former Chief of Army Staff

Admiral Ram Tehliani, former Chief of Naval Staff

Admiral Madhvendra Singh, former Chief of Naval Staff

Dr M R Srinivasan, former Chairman of Atomic Energy Commission

Dr Kasturirangan, former Chairman of Space Commission

K Subrahmanyam, former Founder/Director of IDSA, former Secretary, Defence Production, former Convener, NSAB

Dr Roddam Narsimha, former Director of National Institute of Advanced Studies & Director National Aeronautical Laboratory

Dr R Rajaraman, former Professor of School of Nuclear Sciences, JNU

K Santhanam, former Senior Scientific Advisor to Ministry of Defence

B G Deshmukh, IAS, former Cabinet Secretary and Principal Secretary to Prime Minister

Abid Hussain, IAS, former Member of Planning Commission, former Commerce Secretary and Ambassador to the US

N N Vohra, IAS, former Principal Secretary to Prime Minister, former Home Secretary and former Defence Secretary

Naresh Chandra, IAS, former Governor of Gujarat, former Cabinet Secretary, former Secretary, Home and Defence

Narendra Sisodia, former Secretary, Defence Production and Ministry of Finance

M K Rasgotra, former High Commissioner to the UK, former Ambassador to France and former Foreign Secretary

K S Bajpai, former Ambassador to Pakistan, China and the US, former Secretary, External Affairs

K Raghunath, former Ambassador to the USSR, former Foreign Secretary

Lalit Mansingh, former Ambassador to the US, former Foreign Secretary

S K Lambah, former Ambassador to Pakistan, Germany, Russia

Arundhati Ghose, former Ambassador to the Conference on Disarmament



APPENDIX - XXXVI

Outcome of the meeting between the United Progressive Alliance and the Left Parties on the Nuclear Cooperation Agreement between India and the United States.

New Delhi, November 16, 2007.

At the Sixth meeting of the United Progressive Alliance and the Left Parties it was agreed that India would approach the International Atomic Energy Agency for negotiating the working text of the India-specific Safeguards Agreement. It was also agreed that before the draft is finalized for signatures by the Parties, it will be placed before the UPA – Left Committee on India – US Nuclear Cooperation¹.

1. Meanwhile, on November 16, nuclear scientists welcomed the government decision to approach the International Atomic Energy Agency for safeguard talks, after the green signal by the Left, as a positive step towards international cooperation. The government could now apply for formal discussions with the IAEA on India-specific safeguards for its future civilian nuclear power plants so that an agreed text could be prepared as early as possible, according to Department of Atomic Energy officials. As the country is already having 'item-specific' (for facility and for material) safeguards which are generic in nature, India-specific safeguards for all its civilian nuclear plants (as per the separation plan) could be on the

The External Affairs Minister Pranab Mukherjee announced at the press conference immediately after the meeting. He said: "The committee has discussed the implications of the Hyde Act on the 123 Agreement, on foreign policy and security matters. After further discussion, it was decided that the impact of the provisions of the Hyde Act and the 123 Agreement on the IAEA Safeguards Agreement should also be examined. This will require talks with the IAEA Secretariat for working out the text of the India-specific

same lines. According to Scientists all future civilian nuclear plants could be placed under the IAEA safeguards mechanism almost on a par with that for the five declared nuclear powers. Media reports quoted IAEA sources to say that without creating India-specific safeguards, they could in all probability be placed under the Agency's safeguards system called Information circular (INSCIRC) of 1966.. This is in contrast to INSCIRC 153, which is meant for nations which signed the Non-Proliferation Treaty and non-weapon countries. That means India can benefit from the safeguards mechanism which is reactor-specific and utility-specific and will be closer to the five nuclear weapon (P-5) countries and not as a non-weapon state. This could be essentially on the same lines of the safeguards arrangement made between India and the IAEA for the two units of the Tarapur atomic power plant set up in 1969 and two units in Rajasthan in 1971. Asked how long the process would take to make the agreed text and the final text on safeguards for future civilian nuclear plants, A.N. Prasad, former director, Bhabha Atomic Research Centre, and IAEA special envoy, said the main agreement should not be very difficult. "But since India has to island our strategic programme, we should insist on Hybrid Safeguard Arrangement." Meanwhile, India had been assured of lifetime fuel supply for two 1000 MW nuclear reactors, being built with Russian assistance at Koodankulam in Tamil Nadu, Minister of State in the Prime Minister's Office Prithviraj Chavan said in the Rajya Sabha on November 29. "Two light water reactors of 1000 MW each are now under construction at Koodankulam. The lifetime fuel supply for them is covered through a sovereign guarantee of the Russian Federation," he said. However, fuel for the proposed four reactors of 700 MW each would depend on India getting the nod from the Nuclear Suppliers Group (NSG) and the International Atomic Energy Agency (IAEA). The government was negotiating an India specific safeguards agreement with the IAEA and a NSG waiver was necessary to carry out nuclear commerce. Units 1 and 2 of Koodankulam were expected to begin operation in 2009. (Atomstroyexport, Russia's nuclear power equipment and service export monopoly, had been building the Koodankulam plant since 2002 in line with a 1988 agreement between India and the erstwhile Soviet Union and an addendum signed in 1998.)

The US position was clarified once again by US Chief negotiator saying that the United States did "not foresee" its civil nuclear energy agreement with India "being reopened by either side." U.S. Under Secretary of State for Political Affairs Nicholas Burns said this in Singapore on December 3 in an interaction with a select group of journalists. "The 123 Agreement is finished, it's done; it's completed. It just stands to be approved finally by both governments." The U.S. would "now need to wait for India to make a final decision on putting the safeguards agreement forward." He was referring to the ongoing talks between India and the International Atomic Energy Agency. Noting that it was entirely up to the Government of India to navigate the "internal politics" over the issue, he emphasised that Washington had "always felt that this civil nuclear deal is in the best interests of both countries." Mr. Burns said: "It is part and parcel of a new effort to try and elevate the U.S.-India relationship to a strategic partnership. We are confident that this deal should go forward." Tracing the dynamics of the potential process at the Nuclear Suppliers Group "to support international change[s] to treat India in a more fair and effective manner," he

Safeguards Agreement. The government will proceed with the talks and the outcome will be presented to the committee for its consideration before it finalises its findings.”

He said that “the findings of the committee will be taken into account before the operationalisation of the nuclear cooperation agreement.” The meeting was attended by all members except Railway Minister Lalu Prasad, who was out of the capital.

(Talking to reporters, Communist Party of India (Marxist) General Secretary Prakash Karat, who is also a member of the committee, said the outcome of the talks with the IAEA would be brought before the panel. “The text will not be initialled by the government negotiators. The government will come back to the committee which, in turn, will examine the text and it will form part of its findings.”)



expressed the hope that a final vote in the U.S. Congress could take place sometime at the beginning of 2008. He said: “Then, this deal will be finished. It will be a start, because it will deliver India from its isolation in the civil nuclear field for the last 35 years. It will give India extraordinary economic and technological benefits. It will allow us to have a more equal relationship with India, all of us in the international community, not just the United States but all of us. “In that respect, it is a fundamentally important agreement. We hope and trust it will go forward, but I don’t want to comment on the internal politics of India. That is up to the Indian Government, not for me.” The government was not contemplating backing out of the Indo-U.S. civil nuclear deal, External Affairs Minister Pranab Mukherjee told the Lok Sabha on November 21. When India completed negotiations for an India-specific safeguards agreement with the International Atomic Energy Agency and for adjustment of guidelines with the Nuclear Suppliers Group, the deal would be sent to the U.S. Congress for approval for operationalisation, he said in a written reply. Mr. Mukherjee said India and the U.S. agreed on the text of an “Agreement for Cooperation” that had received Cabinet approval. Replying to a query on the use of thorium for generation of atomic energy, the Minister of State in the PMO Prithviraj Chavan said India needed to have international cooperation to acquire uranium technology and fuel, which was insufficient in the country. “The government is trying for international cooperation in this sector and also trying to convince the House to allow it to obtain uranium to speed up the process of atomic nuclear fuel.” Mr. Chavan said. Pointing out that all countries had uranium-based nuclear programmes, he said India was deficient in natural uranium and whatever reserves existed would be exhausted after some time. “If the government is allowed to go for international cooperation, there will be enough uranium available that will speed up our nuclear programme much faster,” the Minister said. He sought to scotch the impression that the government was not exploiting thorium, available in sufficient quantity, to develop the nuclear programme. “India’s thorium utilisation technology is more advanced than anywhere in the world,” the Minister said, adding it did not need international cooperation to develop this. “We will not delay by even one day ... having some kind of energy independence, if the House permits international cooperation.”

APPENDIX - XXXVII

Media Briefing by Spokesperson of the U. S. State Department on India – US Civil Nuclear Energy Cooperation Agreement.

Washington, December 6, 2007.

QUESTION: Second, if I may, on India. As I was last week in India and before the lefts were against the U.S.-India Civil Nuclear Agreement and last week, actually, they agreed and the Congress Party of the — Prime Minister Manmohan Singh, they had a meeting already on November 22nd and I think this agreement is going to be fully implemented between the two countries and also Ambassador Murtha also said that this will go through. So my question is if the Secretary has received any words from New Delhi or any conversation or she has spoken with anybody in India on this issue?

MR. CASEY: Well, I don't — I'm not aware of any recent contacts between the Secretary and senior Indian officials on this subject. But certainly — I certainly hope you're correct. We would very much like to see this agreement move forward and be finalized. We continue to believe it's something that's in the best interests of the United States, of India, and of the broader international community in efforts to inhibit the proliferation of nuclear technology and nuclear weapons. So we certainly hope that it does move forward and does go through.

As we've said, though, we understand that the Indian Government has its own political process that it needs to work through and we fully expect that, regardless of the outcome or the timing of this agreement, that we are going to continue to expand our relations with India, because it is an increasingly important player on the world's stage and it's a country with which we have much in common and for too long, weren't working with in the way we are now. So we want to make sure that not only we see this nuclear agreement move forward, but that more importantly our broader relations with India continue to develop and grow.

QUESTION: If I may just quick follow that? I had a visit to also Kashmir earlier and spoken to so many Indians there. Most Indians are for this agreement and they support it. And while the lefts were against this agreement because of their contacts with the Chinese, but now Chinese also supporting this agreement. So that's what I'm saying, that how far you think Secretary is now pushing this since the Indian Government is ready?

MR. CASEY: Well, look, we want — and I think you've heard Nick say this before too. We certainly want to see this agreement move forward. We hope it will. But ultimately, in terms of the decisions within the Indian political system, we respect the needs and the rights of their political leaders to work this through themselves, but we're ready and able to move forward whenever they would like us to.

Thank you.



INDIA'S FOREIGN RELATIONS - 2007

SECTION - III

**REGIONAL AND INTER - REGIONAL
COOPERATION**

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ASEAN & EAST ASIA SUMMITS

120. Press Briefing by Secretary (East) N. Ravi on the visit of Prime Minister Dr. Manmohan Singh to Cebu (Philippines) to attend 5th India-ASEAN Summit and 2nd East-Asia Summit.

New Delhi, January 10, 2007.

OFFICIAL SPOKESPERSON (Shri Navtej Sarna): Good evening everybody and apologies for keeping you waiting. We have with us once again Secretary (East) Shri N. Ravi who will be briefing you on the Prime Minister's forthcoming visit to Cebu city in the Philippines. After Secretary has spoken, we will take a few questions.

Secretary (East) (Shri N. Ravi): Friends, you may be aware that the Fifth India-ASEAN Summit and the Second East-Asia Summit which were originally scheduled for the middle of December in Cebu city had to be rescheduled because of an approaching typhoon. Now the Fifth India-ASEAN Summit and the Second East-Asia Summit would be held on 14th and 15th of January, 2007 at the same location, that is Cebu city in Philippines.

Prime Minister would be accompanied by Mrs. Gursharan Kaur and a high-level delegation. He would be reaching Cebu city on the evening of 13th of January. On the 14th of January would be the Fifth India-ASEAN Summit. On the same day some bilateral meetings are being scheduled. In the evening after the Summit is held a gala dinner is being hosted by Her Excellency President Gloria Macapagal Arroyo in honour of the Heads of State and Government and spouses of the 12th ASEAN Summit and related Summits. It will be a gala dinner and depending on the number of leaders present, about 16 leaders would be there.

On the 15th of January, there would be the East-Asia Summit. It is now being scheduled at the newly constructed Cebu International Convention Centre. The opening session of the Second East-Asia Summit would be in the morning followed by a retreat soon after the main inauguration. All this will take up to 11 AM in the morning on the 15th of January. After the break the retreat will continue.

According to the programme that we have with us, the President of the ADB would be presenting a report on the East-Asia Regional Economic and Financial Situation. After that presentation is made, there will be signing

ceremony on the Cebu Declaration on Energy Security. You may be aware that when the last Summit was held in Kuala Lumpur, President Arroyo said that energy is a very important topic for all of us and that the Cebu Declaration would be related to energy. This Declaration was finalized at the officials' level and now it is being finalized at the Ministerial and in all likelihood it will be signed on the second day. After a working lunch in the afternoon around 4 o'clock the event will come to a close on the 15th of January.

Ahead of Prime Minister's visit, External Affairs Minister would be arriving late in the evening of 10th January, that is tomorrow, in Cebu to attend the ASEAN-India Ministerial meeting. All the Foreign Ministers of ASEAN would be meeting with our External Affairs Minister. During this meeting some of the projects of cooperation between India and ASEAN under various programmes would be discussed. This would be followed by a dinner hosted by the Foreign Minister His Excellency Mr. Alberto Romulo for the ASEAN and six other Foreign Ministers.

On the 12th of January in the morning, External Affairs Minister would be participating in the Mekong-Ganga Cooperation meeting. In 2001, the Mekong-Ganga Cooperation Group was formed with India, Myanmar, Laos, Vietnam, Cambodia and Thailand. This envisages cooperation in tourism, education, culture and transportation and a variety of other fields. We have been extending scholarships to some of the students from these countries mostly in the area of Buddhist studies and in certain other areas also. In this Ministerial meeting, India would most likely be accepting the Chairmanship - it goes by rotation - but we would be accepting the Chairmanship of the Mekong-Ganga Cooperation Group at the meeting on the morning of 12th of January.

This would be followed by a working lunch for the East-Asia Summit Foreign Ministers. As you know East-Asia Summit comprises 16 countries - ten from ASEAN and then Japan, China, Republic of Korea, India, Australia and New Zealand. This would be a working lunch after which External Affairs Minister's programme is complete.

Overall, the basic agenda for the India-ASEAN Summit would be to review ongoing cooperation in different fields like entrepreneurship development, English language training, IT cooperation and extension of economic assistance to what we call the CLMV countries - Cambodia, Laos, Myanmar and Vietnam - which among the ten ASEAN countries are slightly less developed as compared to the other six. We would also be reviewing cooperation in sectors like tourism, transport, infrastructure and any new

proposals that the ASEAN side might like to put up, we will certainly respond to that. Of course, there would be discussions or some references regarding the ongoing India-ASEAN FTA negotiations.

As regards the East-Asia Summit, the main theme on the agenda would be energy security. It would also include other items like finance, financial cooperation among East-Asia Summit countries, education, and then two other important subjects - one is Avian Influenza and the other is natural disasters management or mitigation. Essentially in both cases we intend to take forward the process of integration that was begun at the end of 2005. The Declaration on Energy Security, we are confident, will focus attention not only on looking at alternative sources of energy but also more efficient uses of energy and at a cost that is affordable to all the developing countries that form part of this Group. Other areas of cooperation which I mentioned would also be included in this like finance, Avian Influenza, and all.

If I am not mistaken, when Avian Influenza broke in 2005-06 in India too there was some news that it had affected some of our poultry too but then we dealt with it in a way that has been accepted in most of the export markets where we export our poultry. I am sure we will be able to share some of our experiences and some of our knowledge in this area.

Question: Could you tell us something about the progress of the Mekong Delta project and how it is going to be taken up there?

Secretary (East): The Mekong-Ganga cooperation is what we call an area of cooperation where we target soft areas like tourism, culture, education and we have added transportation and communications too. Under the Mekong-Ganga Cooperation there is a proposal to have a kind of a study on a railway line from Delhi up to Hanoi. If I am not mistaken, RITES have even completed a preliminary study on that and we would be sort of considering among other subjects this one also but transportation and bringing the people closer together is very important. One other aspect which we might like to focus on is the opening of the second Friendship Bridge over the Mekong connecting the town of Savannakhet in Laos with Mukdahan in Thailand. With the completion of this bridge, it is possible to travel by road from anywhere in India right up to Danang which is a major port on the Vietnam coast. In fact this bridge is part of what the ADB calls the East-West Economic Corridor. The basic portion of the road covers the two cities of Danang in the east to the port of Mawlamyine in Myanmar.

Question: Since Declaration on Energy Security is the key thing in the

East-Asia Summit, what is India looking forward to come out of it? Would it be renewable energy? What are we focusing on in that Declaration?

Secretary (East): India's approach towards energy security has been on three things. One is, of course, the question of conservation, in the sense that we use the energy available with us in a more efficient manner and wastages are reduced. The second is the question of alternative sources of energy. Alternative can be either solar energy or wind energy or things of that nature or it could also mean things like bio-diesel and items of such kind which are just now at the experimental stage. The third aspect is the question of energy security that is applicable to a particular region, in the sense that in the ASEAN itself they have a storage plan which has a system by which if the energy reserve in a particular country comes below a certain percentage then other countries consult so that they can then share their energy reserves with other countries. We, of course, approach this mostly in terms of petroleum and petroleum products but it can also take the shape of some kind grid which can supply electricity from one country to the other. These would be the areas of discussion.

Question: There were reports in December of threats of terrorist strikes. Now again there are some reports that terrorist groups like Al-Qaeda are planning to strike the Convention Centre. Will counter-terrorism be one of the important themes at this Summit?

Secretary (East): I have not seen any reports to that effect right now.

Question: Who are the leaders with whom the Prime Minister will have bilateral meetings?

Secretary (East): Right now the decisions are being taken. The scheduling is taking place. We will convey it to you soon. Perhaps before you leave we should be able to have some idea.

Question: Would the PM be presenting any plan on the Nalanda University to the East-Asia Summit partners?

Secretary (East): I am sure you have heard the Prime Minister elaborate on this particular aspect in the Pravasi Bharatiya Divas speech day before yesterday. He has already shared it with Singapore because it is an initiative from Singapore. So, this information has already been conveyed at the senior officials' level to all the members interested in this particular project.



121. Press Release of the Ministry of External Affairs on bilateral meetings of External Affairs Minister Pranab Mukherjee on the sidelines of the ASEAN — India Ministerial Meeting and the East Asia Foreign Ministers' Luncheon.

Cebu (Philippines), January 12, 2007.

External Affairs Minister Shri Pranab Mukherjee visited Cebu, the Philippines, from January 10 to 11, 2007, to participate in the ASEAN-India Ministerial Meeting and the East Asia Summit Foreign Ministers' Luncheon. On the sidelines of these meetings he met with the Foreign Ministers of New Zealand, Singapore, Thailand, Indonesia, Vietnam and Philippines.

2. During the meeting with Mr. Winston Peters the Foreign Minister of New Zealand, the two Foreign Ministers reviewed the progress of bilateral relations between the two countries and expressed satisfaction at the progress made in different areas. External Affairs Minister Shri Pranab Mukherjee stressed the importance India attached to her 'Look East' policy, to the potential and benefits of regional economic integration and regional cooperation in Maritime Security, Counter Terrorism and Energy Security. The two leaders also discussed the importance of strengthening bilateral cooperation in exploring non-conventional sources of energy. The External Affairs Minister introduced to the New Zealand Foreign Minister India's proposal for developing a revived Nalanda University as an International seat of Learning with Public and Private partnership countries of South and Southeast Asia. Minister Winston Peters expressed interest in the proposal and observed that it would promote international and inter-cultural understanding.
3. The External Affairs Minister and the Singapore Foreign Minister Mr. George Yeo expressed satisfaction at the rapid growth of bilateral ties. The two leaders discussed regional economic integration and bilateral defense and security cooperation. The External Affairs Minister expressed appreciation for Singapore's role in furthering India's Dialogue Partnership with the ASEAN.4. External Affairs Minister and the Foreign Minister of Thailand Mr. Nitya Pibulsonggram expressed satisfaction at the close relations between India and Thailand and the progress made in diverse areas in the recent period. The two leaders

noted that 2007 marked the 60th Anniversary of the establishment of diplomatic relations between India and Thailand and agreed that this important anniversary should be celebrated in a fitting manner.

5. During the meeting with the Foreign Minister of Indonesia Mr. N Hassan Wirajuda, the two Foreign Ministers reviewed the progress of the 'New Strategic Partnership' established during the State Visit of the President of Indonesia to India in November 2005. The two leaders agreed to focus on the expansion of trade and investment ties, develop closer cooperation in coal, petroleum, IT, Space, counter-terrorism and to learn from each other's experience in these and other areas. Cooperation, including training, The area of institution building was also stressed during the meeting as an area of immense promise for strengthening bilateral relations. It was agreed to convene the next meeting of the India-Indonesia Joint Commission in Indonesia at an early date.
6. At the meeting with the Deputy Prime Minister and Foreign Minister of Vietnam Mr. Pham Gia Khiem, the close and cordial nature of bilateral relations between India and Vietnam was reviewed. The important contribution of high level visits to the relations between the two countries was also stressed, at the meeting.
7. At the conclusion of the EAS Foreign Ministers' luncheon meeting, the Secretary for Foreign Affairs of the Philippines H.E. Alberto G. Romulo met with the External Affairs Minister. He conveyed his appreciation for the successful conduct of the India - ASEAN Ministerial meeting held on 11 January, 2007. Recalling the visit of the Hon'ble President Dr A.P.J. Abdul Kalam to the Philippines in February 2006, the Philippines Secretary for Foreign Affairs emphasized that the exchange of high level visits would contribute to the further strengthening and diversification of bilateral relations. He also identified future areas of cooperation between the Philippines and India. He said that the pharmaceutical, biotechnology, information technology sectors and cooperation in energy matters including the manufacture of bio-diesel were areas of promise. He said that the immense goodwill created by the visit of the Hon'ble President to Philippines should be utilized to strengthen bilateral relations.



122. Press Release of the Ministry of External Affairs on the visit of External Affairs Minister Pranab Mukherjee to Cebu (Philippines) for the annual India - ASEAN Ministerial meeting.

Cebu (Philippines), January 12, 2007.

Hon'ble Shri Pranab Mukherjee, External Affairs Minister (EAM) visited Cebu (Philippines) from 11-12 January, 2007 for the annual India-ASEAN Ministerial meeting. He was assisted by Shri N. Ravi, Secretary (East) and other senior officials.

2. EAM and Dr. N. Hassan Wirajuda, Indonesian Minister for Foreign Affairs co-Chaired the India-ASEAN Ministerial Meeting held on 11 January. The meeting reviewed India-ASEAN relations and discussed the future direction of the relationship. The two sides also exchanged views on regional and international issues.
3. The Ministers expressed satisfaction with progress made since the 4th India-ASEAN Summit that was held in Kuala Lumpur in December 2005. They took note of the establishment of Entrepreneurship Development Centers in Cambodia and Vietnam during the course of 2006, the Technology Summit jointly organized by India and ASEAN in New Delhi in November 2005 and the training provided to ASEAN diplomats at the Foreign Service Institute in New Delhi in August-September 2006. Ongoing projects relating to the establishment of Centers for English Language Training in Cambodia, Laos, Myanmar and Vietnam (CLMV), satellite connectivity between India and the CLMV countries for tele-medicine, tele-education applications and the organization of an IT Industry and Ministerial Forum were also discussed.
4. The ASEAN Ministers expressed appreciation for India's support for the Initiative for ASEAN Integration (IAI) that is aimed at bridging the development gap between the CLMV and other ASEAN member countries. They also emphasized the potential for further expansion of cooperation, given the strengths of the Indian economy and Indian expertise in scientific and technological fields, including information technology. EAM agreed that the two sides would consider joint flagship projects that would capitalize on the complementary strengths of India and ASEAN.

5. A Mekong Ganga Cooperation (MGC) Ministerial Meeting was held on 12 October. Thailand, as Chair of the MGC, proposed that India be elected as Chair of the grouping. The proposal was accepted by acclamation.
6. EAM said that it was an honour for India to assume the Chairmanship of MGC. He also said that India would endeavour to revive the ancient cultural, commercial and other ties between the MGC countries. The Ministers thanked India for its assistance in the ongoing project for setting up a MGC Museum of Traditional Textiles in Siem Reap in Cambodia, the extension of the on-going 10 MGC scholarships for each member country and the offer to host 100 pilgrims from MGC countries in 2007. The meeting also accepted India's offer to hold a Ministerial Meeting of the MGC in New Delhi in 2007.



123. Statement by Prime Minister on his departure for Philippines for the 5th India-ASEAN Summit and the 2nd East Asia Summit.

New Delhi, January 13, 2007.

I will be visiting Cebu, Philippines, for the 5th India-ASEAN Summit and the 2nd East Asia Summit. Our participation in both these summits is a reflection of the increasing significance of the eastern orientation of India's foreign policy and our quest for closer engagement with countries of South-East Asia and East Asia.

In Cebu, I will participate in the 5th India-ASEAN Summit on January 14th, which will be followed by the 2nd East Asia Summit the next day. At the India-ASEAN Summit I will have an opportunity to review, with leaders of ASEAN countries, the progress that has been achieved over the last year in India's economic dialogue with the ASEAN region. We will also consider new initiatives that can be undertaken to accelerate this process of engagement. I believe that the India-ASEAN FTA is an important initiative to promote this greater economic synergy and I shall use this opportunity to explore steps that both sides can take to hasten the conclusion of this important agreement.

The 2nd East Asia Summit on 15th January will provide an opportunity to

take forward, a process that was initiated last year to put in place a regional architecture for greater cooperation and economic integration amongst countries of East Asia. The East Asia Summit agenda includes energy security, stability of the regional financial system, mitigating natural disasters, environment, and other subjects of common interest that can only be tackled effectively within a broad inclusive framework.

On the sidelines of the Summit meeting I will have the opportunity of meeting my counterparts from other countries including President Arroyo of Philippines who is our host, Premier Wen Jiabao of China, Prime Minister Nguyen Tan Dung of Vietnam among others.

I am looking forward to this visit and to utilizing it to elevate India's engagements in South-East Asia and East Asia to qualitatively new levels.



124. Address by Prime Minister Dr. Manmohan Singh at the 5th India-ASEAN Summit.

Cebu (Philippines), January 14, 2007.

Your Excellency, Madam President, Your Majesty, Excellencies,

Madam President, I thank you for your warm words of welcome and for your gracious hospitality. I am very happy to be here in the Queen City of the South Philippines.

It is always a pleasure to be with friends. With ASEAN countries, we have special bonds of kinship as well as age-old cultural linkages. I, therefore, value this opportunity to be at this distinguished gathering once again for the annual India - ASEAN Summit.

India's "Look East" policy, when it was initiated a decade and a half ago, marked a strategic shift in our perspective. It coincided with the beginning of our economic reform process and provided an opportunity for significantly enlarging our economic engagement. At the same time, it was also a renewal of time-tested linkages with our neighbours in South East and East Asia. Our zeal and determination to pursue this renewal and reach our goal of fashioning the Asian Economic Community, remains unshaken.

This is amply demonstrated by the intensification of political dialogue and

the steadily enlarging people-to-people contact encompassing all the countries of the region. Our bilateral cooperation with the countries of ASEAN has myriad facets and covers cooperation in diverse areas such as agriculture, fisheries, health, information technology, space technology, energy, defence and combating international terrorism.

The results of India's "Look East" policy are also amply demonstrated in our growing economic interaction with the region. India's trade with ASEAN has risen from US\$ 2.4 billion in 1990, to US\$ 23 billion in 2005. Our trade with the countries of the East Asia Summit has, similarly, risen from US\$ 8 billion in 1990, to US\$ 67.6 billion in 2005. This accounts for nearly 30% of our external trade. At the same time, the period has also seen an increase in FDI flows, both from India to the region and from the region into India.

Today, India is very different from the India of 1991. It is now a vibrant market-place. Our entrepreneurs are aggressively investing overseas. India has also emerged as a productive and profitable investment destination. We have a US\$ 700 billion economy that is growing at 7 - 8% every year. In the first half of the current year, economic growth reached 9.1%. We have actively pursued external liberalization by cutting down customs duty rates. The current peak rate, at about 12.5% is quite close to ASEAN levels. We have a policy objective of aligning our duty rates with ASEAN levels.

While India has seen many changes, so has the region. The most significant has been the process of ASEAN economic integration, and a similar process for deepening economic integration between ASEAN and its dialogue partners. The convening of the East Asia Summit last year was a historic development. We acknowledge ASEAN's valuable contribution in being the driving force for this positive development and for inviting India to be there at the start.

In the present phase of our "Look East" policy, we in India seek to deepen our economic integration by entering into Free Trade or Comprehensive Economic Partnership Agreements, both with ASEAN as a whole and with individual countries of the region. Such agreements are already under different stages of discussion or implementation with Singapore, Thailand, Malaysia and Indonesia. This web of mutually beneficial partnerships can, we believe, be brought together in a Pan Asian FTA that could light up the future of this region.

India - ASEAN trade recorded an impressive growth of 30% last year. This leaves us in little doubt about our ability to achieve, and even surpass, the target of US\$ 30 billion by 2007.

I believe that the India-ASEAN FTA will impart even further momentum to this growth in trade. We are strongly committed to its early conclusion and implementation. I am glad to note that at the India-ASEAN Trade Ministers' meet a few days ago, progress has been made on resolving outstanding issues relating to exclusion lists and tariff concessions. We should direct our Trade Ministers to expedite the negotiations so that the FTA can be finalised, as agreed, by July 2007.

Greater connectivity is also central to the idea of regional economic integration. The initiative taken in 2003 to liberalize air services has led to a significant increase in flight connections between India and ASEAN, with concomitant benefits in trade and people-to-people contact. I recall, at our last Summit, the Prime Minister of Singapore had proposed that we now look at an open skies policy. We have examined this proposal and I am happy to announce that we would be willing to engage ASEAN authorities in a discussion on such a policy.

Excellencies,

Science & technology is an area in which cooperation between India and ASEAN has added much substance to our relationship. The Technology Summit jointly organized by India and ASEAN, in New Delhi in November last year has been an important milestone in this cooperation. It shows that we can pool our knowledge, and together add to it, to create wealth and improve the well - being of our peoples.

The Technology Summit discussed the establishment of an India - ASEAN Science & Technology Development Fund. I propose that we take steps for the early operationalization of the Fund. The Fund should support the development of strategic alliances between Indian and ASEAN researchers and lead to further collaborative R&D by our countries. Our officials should be mandated to deliberate and decide upon the details of the structure and financing of the Fund. I would also like to use this opportunity to re-iterate that India remains committed to continuing its support for the Initiative for ASEAN Integration. We are happy, in this context, that the India - Cambodia and India - Vietnam Entrepreneurship Development Centres became operational last year. The India - Laos Centre has been operational since November 2004. We also have a wide ranging programme of cooperation with Myanmar, which is our gateway to ASEAN. Such cooperation is, indeed, heartening as it demonstrates the benefits that the India - ASEAN relationship can bring to common people.

Human resource development is central to bridging the development gap. I am happy that cooperation in this area has proceeded well during the course of this year. We are particularly gratified with the positive response to the 1st training course for ASEAN diplomats, that was organized by the Foreign Service Institute in New Delhi recently. I propose that such cooperation be institutionalized on an annual basis.

The year 2007 marks the 40th anniversary of the founding of the ASEAN and the 60th anniversary of India's attainment of independence. Together the anniversary numbers total 100, a perfect square. I would like to offer our young friends from ASEAN countries an invitation to visit India. We will host 10 students from each of the 10 member countries of ASEAN on a trip of the sights and sounds of modern and ancient India. Centres of IT excellence in India will figure prominently in the itinerary.

The age-old India - ASEAN linkages have been about our peoples mingling and interacting with each other. This dimension has been given a renewed thrust with the impressive growth of connectivity and the ever-increasing flows of tourism between India and ASEAN. This should, I believe, remain a priority area of cooperation and, in fact, be given even further impetus. We would, in this context, be launching special tourism campaigns in ASEAN countries during the course of this year. We would also be happy to facilitate similar campaigns in India from ASEAN countries.

Excellencies,

This is my 3rd Summit Meeting with ASEAN colleagues. I have always been struck by the warmth and friendship that all of you bear for my country and me. I am personally committed to the deepening of the India - ASEAN relationship. I look forward to working closely with all of you for the shared vision of well being and prosperity for the peoples of our countries.

I thank you.



125. CEBU Declaration on East Asian Energy Security.

Cebu (the Philippines), January 15, 2007.

WE, the Heads of State/Government of the Member Countries of the Association of Southeast Asian Nations (ASEAN), Australia, People's Republic of China, Republic of India, Japan, Republic of Korea and New Zealand, on the occasion of the Second East Asia Summit on 15 January 2007 in Cebu, Philippines;

RECOGNISING the limited global reserve of fossil energy, the unstable world prices of fuel oil, the worsening problems of environment and health, and the urgent need to address global warming and climate change;

RECOGNISING that our energy needs are growing rapidly, and will necessitate large-scale investments in the coming decades;

ACKNOWLEDGING that fossil fuels underpin our economies, and will be an enduring reality for our lifetimes;

RECOGNISING that renewable energy and nuclear power will represent an increasing share of global supply;

ACKNOWLEDGING the need to strengthen renewable energy development such as in biofuels, and to promote open trade, facilitation and cooperation in the sector and related industries;

HIGHLIGHTING the fundamental need of countries in East Asia for reliable, adequate and affordable energy supplies which are essential for strong and sustainable economic growth and competitiveness;

CONSIDERING further that the First East Asia Summit had agreed to enhance cooperation by promoting energy security;

RECOGNISING the need to pursue energy policies and strategies best suited to each country's national circumstances, which will lead to sustainable development;

NOTING that biofuel and hydropower resources are renewable and as such harnessing these resources is an important aspect of our national energy policies;

REAFFIRMING our collective commitment to ensuring energy security for our region;

HEREBY DECLARE:

To work closely together towards the following goals:

1. Improve the efficiency and environmental performance of fossil fuel use;
2. Reduce dependence on conventional fuels through intensified energy efficiency and conservation programmes, hydropower, expansion of renewable energy systems and biofuel production/utilisation, and for interested parties, civilian nuclear power;
3. Encourage the open and competitive regional and international markets geared towards providing affordable energy at all economic levels;
4. Mitigate greenhouse gas emission through effective policies and measures, thus contributing to global climate change abatement; and
5. Pursue and encourage investment on energy resource and infrastructure development through greater private sector involvement.

And to achieve these goals, through the following measures:

1. Promote cleaner and lower emissions technologies that allow for the continued economic use of fossil fuels while addressing air pollution and greenhouse gas emissions;
2. Encourage the use of biofuels and work towards freer trade on biofuels and a standard on biofuels used in engines and motor vehicles;
3. Take concrete action toward improving efficiency and conservation, while enhancing international cooperation through intensified energy efficiency and conservation programmes;
4. Set individual goals and formulate action plans voluntarily for improving energy efficiency;
5. Increase capacity and reduce costs of renewable and alternate energy sources through innovative financing schemes;
6. Encourage collective efforts in intensifying the search for new and renewable energy resources and technologies, including research and development in biofuels;

7. Ensure availability of stable energy supply through investments in regional energy infrastructure such as the ASEAN Power Grid and the Trans ASEAN Gas Pipeline;
8. Encourage recycling of oil revenues and profits for equity investments and long term, affordable loan facilities for developing countries in the region;
9. Explore possible modes of strategic fuel stockpiling such as individual programmes, multi-country and/or regional voluntary and commercial arrangements;
10. Promote clean use of coal and development of clean coal technologies and international environmental cooperation towards mitigating global climate change;
11. Pursue regional or bilateral cooperation through research and development, sharing of best practices, and financing of energy products; and
12. Assist less developed countries in enhancing national capacity building in achieving the above goals.

The necessary follow-up actions to ensure implementation of the above measures, including appropriate reporting, will be undertaken through existing ASEAN mechanisms in close consultations among EAS participants.

ADOPTED in Cebu, Philippines, this Fifteenth Day of January in the Year Two Thousand and Seven, in a single original copy in the English Language.

For Brunei Darussalam
HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Kingdom of Cambodia:
SAMDECH HUN SEN
Prime Minister

For the Republic of Indonesia:
DR. SUSILO BAMBANG YUDHOYONO
President

**For the Lao People's
Democratic Republic:**
BOUASONE BOUPHAVANH
Prime Minister

For Malaysia:

DATO' SERI ABDULLAH AHMAD BADAWI
Prime Minister

For the Union of Myanmar:

GENERAL SOE WIN
Prime Minister

For the Republic of the Philippines: For the Republic of Singapore:

GLORIA MACAPAGAL-ARROYO
President

LEE HSIEN LOONG
Prime Minister

For the Kingdom of Thailand:

GENERAL SURAYUD CHULANONT (RET.)
Prime Minister

**For the Socialist Republic
of Viet Nam:**

NGUYEN TAN DUNG
Prime Minister

For Australia:

JOHN HOWARD
Prime Minister

For the People's Republic of China:

WEN JIABAO
Premier

For the Republic of India:

DR. MANMOHAN SINGH
Prime Minister

For Japan:

SHINZO ABE
Prime Minister

For the Republic of Korea:

ROH MOO-HYUN
President

For New Zealand:

HELEN CLARK
Prime Minister

**January 15, 2007
Cebu, Philippines**



126. Statement by External Affairs Minister Pranab Mukherjee at the lunch hosted for the Foreign Ministers attending the East Asia Summit.

Manila, July 31, 2007.

Your Excellency

**Dr. Alberto G. Romulo,
Secretary of Foreign Affairs of Philippines,**

Distinguished Colleagues,

Ladies and Gentlemen,

I would like to express my gratitude as well as that of our delegation, for the warm hospitality and excellent arrangements.

We view the forum of East Asia Summit as an opportunity to establish a regional architecture for cooperation and deeper integration. We feel that the scope for enhancing regional cooperation within the framework of the EAS is immense and we expect that the EAS initiatives would lead us to beneficial avenues of cooperation in various areas.

Mr. Chairman, while we look forward to cooperating with other partners to synergise our respective strengths, we also expect that the East Asia Summit would help us to work towards the vision articulated by Prime Minister Dr. Manmohan Singh of an Asian economic community, that would stretch from the Himalayas to the Pacific, linked by efficient road, rail, air and shipping services. Such a community would constitute an "arc of advantage" across which there would be large scale movement of people, capital, ideas and creativity.

Mr. Chairman, we hope that the renewed interest in Asia's Buddhist heritage will rekindle ancient links between East and South Asia and will help us come closer together. We welcome the interest of our EAS partners in the revival of the Nalanda University and are willing to work with them towards this endeavor. I am happy to report that the Nalanda Mentor Group formed under the chairmanship of well-known economist and Nobel Laureate Dr. Amartya Sen and comprising many distinguished scholars, has begun its work.

India proposes to hold a meeting of the EAS countries on Disaster

Management in November 2007. We also look forward to the participation of our EAS partners at the Asian conference on Avian Influenza likely to be organized in New Delhi this year.

Mr. Chairman, we stand ready to cooperate and contribute in ways that can impart substantive content to the East Asia Summit.

Thank you.



127. Opening Statement by External Affairs Minister Pranab Mukherjee at Press Briefing in Manila.

Manila, July 31, 2007.

Good Afternoon

I arrived here yesterday. My current visit is focused on the East Asia Summit Foreign Ministers' Meeting, the ASEAN Post Ministerial Conference Meeting and the ASEAN Regional Forum Meeting. I will also be convening a meeting of the Mekong Ganga Cooperation during my stay in Manila since India is the current Chair of the MGC.

Today, I had the pleasure of participating in the East Asia Summit Foreign Ministers' Meeting. The EAS forum is an opportunity to create a regional architecture for cooperation and deeper integration in the Asia-Pacific region.

India feels that the scope for enhancement of current levels of regional cooperation within EAS is immense. Prime Minister Dr. Manmohan Singh has spoken of his vision of an Asian Economic Community stretching from the Himalayas to the Pacific, which would be an "arc of advantage" and would facilitate free flow of people, ideas, trade and investment across the region.

At the EAS Summit in Cebu in January 2007, PM had proposed a project for the revival of the Nalanda University. I informed my EAS colleagues today of the progress in developing the project. A Nalanda Mentor Group has been appointed under the chairmanship of Prof. Amartya Sen. The Foreign Minister of Singapore, Mr. George Yeo, is a member of the Group, which had its first meeting in Singapore from July 13-14, 2007. The Nalanda University Project will reinforce the soft linkages between India and countries of the Asia-Pacific region. I also announced a proposal to hold the EAS

meeting on Disaster Management in November 2007 in New Delhi. Disaster Management was one of the areas identified for cooperation amongst EAS countries at the Summit held in Cebu.

Today, I also met with the Foreign Ministers of Lao PDR, Malaysia and Australia on the sidelines of the EAS meeting. In my meeting with the Deputy Prime Minister and Foreign Minister of Lao PDR, I reaffirmed our friendly relations and reiterated India's commitment to assist Lao PDR with her development needs.

During my meeting with the Malaysian Foreign Minister, I discussed important issues in bilateral relations and cooperation between the two countries in multilateral fora. Malaysia is India's second largest trading partner in the ASEAN and home to the largest Indian community in the region. The two countries are also engaged in discussions on bilateral and regional economic integration.

I met Australian Foreign Minister Alexander Downer immediately prior to this press briefing. We expressed satisfaction that India-Australia cooperation was making rapid strides in many areas. Australia is becoming an important source for resources for the rapidly growing Indian economy. Our defence and security cooperation is focused on the challenges posed by counter-terrorism and maritime security. We are also strengthening the framework for legal cooperation through negotiations on a Mutual Legal Assistance Treaty in Criminal Matters and an Extradition Treaty. The Australian Foreign Minister informed me that the Australian Cabinet will soon be considering the issue of the sale of uranium to India. We also agreed that the Foreign Ministerial Framework Dialogue between India and Australia should be scheduled in Canberra in the near future.

We also discussed about the case of Dr. Haneef. The Australian Foreign Minister told me that investigation is still on. Once the investigation is over then his case relating to visa will be finally disposed off.



128. Press Release of the Ministry of External Affairs on the Intervention by External Affairs Minister Pranab Mukherjee at 14th ASEAN Regional Forum (ARF) meeting in Manila.

New Delhi, August 2, 2007.

Shri Pranab Mukherjee, Minister for External Affairs, led the Indian delegation to the 14th ASEAN Regional Forum (ARF) meeting in Manila today. The ARF brings together the ten ASEAN countries, their ten Dialogue Partners such as India, China, the United States, EU and Russia, as well as seven other countries including the latest entrant Sri Lanka.

2. The meeting, chaired by Philippines Foreign Minister, Secretary Romulo, discussed the regional and international security situation as well as the future programme and direction of ARF activities. In his intervention, Shri Mukherjee noted with satisfaction that ARF is helping consolidate efforts to address issues such as terrorism, transnational organized crime, maritime security¹, natural disaster

1. Media reports said India on August 2 unveiled a maritime security package for the benefit of the ASEAN Regional Forum (ARF) comprising of the United States, China, Russia, Japan, India and the European Union, besides the 10-member Association of Southeast Asian Nations (ASEAN). It also has among other countries Australia, Pakistan, Bangladesh, and Sri Lanka. At the meeting External Affairs Minister Pranab Mukherjee said: "India will design and conduct a training module on maritime security, specifically for the ARF member-states, with themes of anti-piracy, search-and-rescue [missions], offshore and port security, anti-smuggling and narcotics control and anti-poaching operations." The nucleus of the module would be "capacity-building" for these and related aspects of maritime security. On terror-related issues, he said all states should abide by their commitments under the Global Counter-Terrorism Strategy that was adopted by the United Nations General Assembly last September. All states must take practical measures to ensure that their territories were not used for terrorist installations or training camps or for preparation or organisation of terrorist acts against other states or their citizens, he said. India would also, in quest of a global peace agenda, "conduct a regular training programme on U.N. peace-keeping, specifically for the ARF member-states." Mr. Mukherjee emphasised that nuclear non-proliferation and disarmament "are mutually reinforcing" and they "go hand in hand." Condemning the killing of South Korean hostages by the Taliban in Afghanistan, he pointed out that some Indians engaged in humanitarian and reconstruction activities in that country had fallen victim to the Taliban's "violent and destructive agenda." The Minister called upon the international community to "contribute with sincerity" to the Afghan Government's efforts to usher in peace and development. The ARF meeting was punctuated by informal brainstorming sessions at a "retreat." Philippines Foreign Secretary Alberto G. Romulo, who chaired the meeting, told *The Hindu* that both India and China were seen as "positive" role-players for regional stability.

management, peacekeeping and energy security while continuing its basic task of promoting confidence building and mutual trust in the Asia-Pacific region. Condemning the killing of the South Korean hostages by the Taliban, he outlined India's perspective on developments in Afghanistan and pointed out that Indians engaged in humanitarian and reconstruction activity in Afghanistan too have fallen victim to the Taliban's violent and destructive agenda. He emphasised that all states should contribute with sincerity to Afghanistan's efforts to bring peace and development to all its regions. All states must also abide by the commitments that they have made in the Global Counter Terrorism Strategy, adopted by the UN General Assembly last September by consensus and to take practical measures to ensure that their territories are not used for terrorist installations or training camps or for the preparation or organisation of terrorist acts against other states or their citizens.

3. Noting the progress of ARF activities in area of counter-terrorism, Shri Mukherjee announced that India shall be co-hosting in the coming year, along with Indonesia, the ARF Inter-sessional Meeting on Counter Terrorism and Transnational Crime. He offered India's help to ARF member states in building capacity to ensure the safety and security of sea lanes passing through the region. In this regard he announced that India would be designing and conducting a training module on maritime security specifically for the ARF Member States, with the themes of anti-piracy, search & rescue, offshore and port security, anti-smuggling and narcotics control and anti-poaching operation. In the same vein India would be conducting a regular training programme on UN Peacekeeping specifically for ARF Member States.
4. In the discussion on non-proliferation issues, Shri Mukherjee said that India has a longstanding commitment to the objective of non-proliferation and believes that all States should transparently live up to the non-proliferation commitments that they have undertaken voluntarily. India is also of the view that disarmament and non-proliferation are mutually reinforcing and go hand in hand.
5. Recalling the emerging importance of energy security for the ARF region, he said that ARF could explore cooperative approaches to energy security. ARF efforts could cover technology cooperation both for renewable energy and for efficient utilization of energy. He pointed

out that a renaissance in nuclear energy, a clean and sustainable source of energy, is underway. Innovative approaches to civil nuclear energy cooperation should therefore also be explored.

6. In discussions on the future direction of ARF, Shri Mukherjee welcomed the growing focus on non-traditional security threats which helps smoothen the transition from the stage of confidence building to preventive diplomacy. He hoped that the decisions taken at the 14th ARF inter alia on mechanisms to strengthen the institution of the ARF Chair would lead to a more efficient ARF that delivers value to all the participants.
7. ARF has come to occupy a unique position as a forum which brings together partners in the Asia-pacific region and beyond for a broad-based and useful dialogue on political and security issues. ARF has made significant contribution to promoting dialogue and forging cooperation in the region on issues of peace and security. For its part, India will continue to contribute to efforts to build peace, security and prosperity in the ARF region.



129. Briefing by Secretary (East) of the Ministry of External Affairs N. Ravi, on Prime Minister's visit to Singapore to attend the East Asia Summit and India-ASEAN Summit.

New Delhi, November 19, 2007.

Official Spokesperson: Good afternoon. We have requested Secretary (East), Shri N. Ravi to kindly brief you on the first leg of Prime Minister's visit to Singapore for the East Asia Summit and the ASEAN Summit. I first request Secretary (East) to make his opening remarks and then we will take a few questions.

Secretary (East): Good evening to all of you. As you know, Prime Minister would be leaving tomorrow to attend the Sixth India-ASEAN Summit. The forenoon of 21st would be taken care of by the India-ASEAN Summit and in the afternoon it will be the East Asia Summit where 16 countries - 10 of ASEAN, New Zealand, Australia, India, China, Republic of Korea and Japan – are represented.

India-ASEAN Summit is an ongoing one. During the Summit the leaders

will meet, exchange views and review the progress that has been achieved in the last one year since the last summit which was held in Cebu. Many programmes in the field of capacity-building, institution-building are going to be covered. Some new initiatives may be put forward by other leaders and responded to, or may even be put forward by us.

In the East Asia Summit, which is in the afternoon of the 21st, the leaders will now take a review of the focused area of pursuit in the field of building regional architecture, common issues and common experiences which they can share with each other. Just to elaborate a little, you are aware of the tsunami that struck the Indian Ocean countries in December 2004. After that, natural disaster mitigation has become a very important topic and subject of interest to all the countries which were affected. Recently we held the Second Asian Disaster Management Mitigation Conference in Delhi. The first one was held in Beijing last year.

Then we also have the issues of energy, education, finance, health. These are topics that would be covered in the East Asia Summit and as part of the joint initiative which covers many countries. Of course, here it is a kind of overlap between East Asia Summit and the ASEAN.

In Delhi, in the first of week of December we are holding the Asian Conference on Avian Influenza and we expect participation from different countries where we could share our experiences with them. The essential focus would be on sharing the experiences on common problems and common issues whereby optimum solutions are evolved for different developmental issues that are being faced. In the India-ASEAN summit no document is likely to be issued. But in the East Asia Summit, negotiations are going on with respect to a document covering climate change, energy and environment. That would be a document that is likely to be signed by the leaders.

As far as Prime Minister's one other major event during his stay is concerned, you may be aware that there is an exhibition on in Singapore called 'On the Nalanda Trail - The Buddhist Experience in India, China and South East Asia'. This exhibition was actually inaugurated I think on the 2nd of November in Singapore. The Prime Minister would also be visiting the exhibition on the evening of 21st. That would be one of the major events in his visit.

Since there are many leaders from different parts of Asia getting together, there would be occasion when they will have some time to meet with each other on the sidelines of the Summit. I am sure you will get the detailed programme by evening or by tomorrow morning latest. There you can have a little more detail time-wise. That is about all.

Question: Can you tell us the status of FTA?

Secretary (East): The India-ASEAN FTA is still under negotiation. The information that I have is that there is likely to be another meeting of the Tariff Negotiation Committee. Some indications are there that they might be meeting at a high level, at the Ministerial level, in Singapore and we have to wait and see where we move from there.

Question: Is that likely to figure during the Summit?

Secretary (East): At the end of the India-ASEAN Summit, normally a kind of a Chairman's Summary is circulated which looks at the discussions that take place in the Summit between our Prime Minister and leaders of ASEAN countries. That would reflect what they have discussed on this.

Question: On the sidelines of the East Asia Summit, is our PM meeting someone in particular?

Secretary (East): Quite a few leaders have asked but as you also understand there is the Commonwealth Summit that is following this. So, on one day that PM is there some meetings are being arranged but scheduling is still being finalized. I think by tomorrow morning only we will know exactly who he is meeting. But all the important leaders again would have a chance to meet with each other.

Question: FICCI put out a report recently...(inaudible)...India's trade with ASEAN countries and China's trade with ASEAN countries both in their volume at the moment and in...(inaudible)... Can you comment on it?

Secretary (East): Two things have become evident. India-ASEAN trade has more or less been balanced till about the last year. Just in the last year in particular, our exports to ASEAN were about 12 billion dollars and their exports to us were close to 18 billion dollars. Quite a bit of this was contributed to by the increased imports of crude oil from some of the countries in the region and also increases in palm oil prices. The price of crude oil being what it is, it also got reflected in that. In terms of competitiveness, yes there are many areas where India still has to compete. But then it is a very complicated package in the sense that input costs in some of the South-East Asian countries, for let us say automobile components, are very very competitive when you compare the same input costs in India. So that is one area where India can really move forward. There are other areas where we have certain competitive edge, in some of the food-processing areas and some of the manufacturing areas. I would

just give you this piece of information. Indian private investment into South-East Asian countries has become quite visible now. It totals just about 600 million dollars in three different fields, in the last year and a half. That goes to show that Indian private industry is taking steps to invest in the South-East Asian countries to improve their own, shall we say, balance sheets and so on.

Question: Besides ASEAN, we also have operationalised an FTA with Singapore and also in advanced stage with Thailand. Since the Prime Minister would be meeting these leaders there, would he be talking about the progress of the new deal and the performance of this FTA? Specially, when you talk about India-ASEAN trade I think the operationalisation of Singapore FTA would have some impact, or would have played some role in the ...(inaudible)... trade volume.

Secretary (East): We have what is called a Comprehensive Economic Cooperation Agreement (CECA) with Singapore which covers a variety of measures that enhance the investment and trade like Double Taxation Avoidance Agreement and Bilateral Investment Protection Agreement, and on mutual basis certain items have been identified for which certain tariff concessions are given to Singapore. But this is part of a Comprehensive Economic Cooperation Agreement. Likewise with Thailand, the FTA that you have just now referred to is still under negotiation. It will take a while to get finalized as far as India and Thailand are concerned.

Question: Will the PM be meeting the leaders of Myanmar? Why is he coming back to India and then going to Uganda?

Secretary (East): As far as meeting with leaders is concerned, the list is still being scheduled. Various leaders have asked for meetings and some meetings are still to be finalized. Whether he meets the leader from Myanmar or not, I am not in a position to confirm right now. As regards his programme of coming back and touching down and going back, I guess some other persons would be responsible for that decision. I would really do not know anything about it.

Question: During his meeting, will the Prime Minister raise the issue of our labourers being jailed in Malaysia with the leaders of Malaysia?

Secretary (East): Recently there were some reports. If an occasion rises, issues of mutual interest are always raised with other leaders.

Question: Is he going to meet the leaders of Malaysia there?

Secretary (East): As I said just now, the schedule is still being finalized. So, I am unable to confirm that.

Question: You talked about the Indian private entrepreneurs investing in the Asian countries. Has the investment of Asian countries into India in fields other than automobile industry increased phenomenally?

Secretary (East): If my memory serves me right, Malaysia has invested in some infrastructure projects in India close to three billion dollars in 32 road projects. Then we have got investment from Singapore-based firms. Now, we are informed that in the field of automobile components, certain investors are looking at India. That is the other news that we have.

Question: Are there any other countries who want to join the East Asia Summit, especially from our neighbourhood?

Secretary (East): Right now the membership of East Asia Summit is 16, as I mentioned. So far we have not heard of any additions to that.



130. Statement of Prime Minister Dr. Manmohan Singh before his departure for Singapore for 6th India-ASEAN Summit and 3rd East Asia Summit.

New Delhi, November 19, 2007.

I will be visiting Singapore from November 20th to 21st , 2007 to attend the 6th India-ASEAN Summit and the 3rd East Asia Summit.

Ever since India became a Sectoral Dialogue Partner of ASEAN, our engagement with the ASEAN has grown manifold. We are actively implementing the ASEAN-India Partnership for Peace, Progress and Shared Prosperity. I will inform ASEAN leaders about the several initiatives that India has taken since the last Summit in Cebu in different areas of our cooperation.

Our trade with the ASEAN countries has grown rapidly, and surpassed our expectations. It today stands at US \$ 30 billion. I will discuss with the ASEAN leaders new measures to expand the horizons of our cooperation to include

not just greater economic integration, but also people-to-people contacts, science and technology, health, transport, human resource development, and information and communication technology.

I will also attend the third East Asia Summit later in the afternoon of November 21. This Summit is one of the most ambitious exercises of community building and integration ever attempted in Asia.

The East Asia Summit has identified five areas of cooperation – energy, education, finance, avian influenza and national disaster mitigation. India has taken and is ready to take many initiatives in these areas. The Summit is likely to adopt a Declaration on Climate Change, Energy and the Environment. The Summit is also expected to discuss regional and international issues, and future directions for cooperation.

East Asia is home to some of the fastest growing economies of the world. The creation of a cooperative framework in East Asia will have a profound impact on the global economy and international relations. India's role in the success of this enterprise is crucial.

The project for the revival of the Nalanda University as an international centre of excellence has received the support of East Asian countries. I will attend a reception being hosted by Prime Minister Lee of Singapore on the occasion of a special Exhibition on Nalanda. Many ancient and priceless artefacts have specially been flown in from India for this Exhibition.

On the sidelines of both Summit meetings I will have the opportunity to meet leaders from other countries, including Premier Wen Jiabao of China, Prime Minister Yasuo Fukuda of Japan, Prime Minister Badawi of Malaysia and Prime Minister Thein Sein of Myanmar amongst others.

India's 'Look East' policy is now blossoming and showing results on the ground. I consider our participation in the India-ASEAN Summit and EAS to be essential pillars of this policy, and vital for the qualitatively enhanced engagement which India seeks with the region.



**131. Statement by Prime Minister Dr. Manmohan Singh at the
6th India – ASEAN Summit.**

Singapore, November 21, 2007.

Your Excellency Prime Minister Lee

Your Majesty,

Excellencies,

I thank you for your warm welcome, the friendly atmosphere and your generous hospitality. I am very happy to be here in Singapore, a country that epitomizes the qualities of courage, strength and excellence.

It is always a pleasure to be among friends. India is privileged to be part of a process that is contributing to ever widening circles of prosperity. Our relationship with the ASEAN countries is the pillar of our “Look East” policy. Ever since we became Sectoral Dialogue partners of ASEAN 15 years ago, we have taken substantial strides in integrating our economies, societies and institutions. We are determined to take this process forward because we are convinced that it is a win-win formula for both of us.

India is now on a new growth trajectory, where sustained economic growth of 9 – 10% per year seem possible. Our expanding market, human resources and strengths in S&T and the knowledge economy are what we contribute to the process of economic integration.

Since our last Summit we have made concrete progress.

The most striking achievement of our engagement so far is that the target of bilateral trade of 30 billion US dollars that we had set for ourselves for the year 2007 has already been achieved.

Exports of ASEAN member countries to India have grown at a phenomenal rate of over 65% last year. This shows that India is a willing partner in the integration of our economies, and is committed to free trade. Our officials have been engaged in active negotiations to conclude the India-ASEAN Free Trade Agreement. I have no doubt that we all share a common political will to reach an agreement at the earliest. I want to assure you that on its part India has shown, and will continue to show, the necessary flexibility and determination to achieve this

objective. We will work together with you to conclude the negotiations, as agreed, by March next year¹.

We have achieved progress in the key area of connectivity. Today, there are over 215 direct and indirect flights every week between India and Singapore, 115 flights with Thailand and 50 with Malaysia. But we seek much more from our Open Skies Policy with ASEAN. We are also keen to join the Open Skies regime amongst the ASEAN countries, when it is finalized.

I would like to commend our hosts for organising the exhibition “On the Nalanda Trail: Buddhism in India, China and Southeast Asia” and a conference on the subject “Early Indian Influences in Southeast Asia”. We would welcome proposals that revive interest in our ancient civilisational links and common heritage.

In Cebu, I had proposed the early operationalisation of the India-ASEAN Science and Technology Fund. I am happy to announce that we have created this Fund with an initial corpus fund of 1 million US dollars. This Fund should be used to encourage collaborative R&D and technology development so that we can harness knowledge for the creation of wealth.

Our exchange programmes for students and diplomats from ASEAN have received enthusiastic responses. I am happy to announce that we will make the training courses for ASEAN diplomats a yearly feature. I would further suggest that we organize seminars for such trainees with their peer groups from India in ASEAN capitals.

This year we have concluded Memorandums of Understanding for the establishment of Centres for English Language Training in Cambodia, Lao PDR and Vietnam. Together with Entrepreneurship Development Centres in these countries, this initiative will contribute to capacity building and empowerment of youth in these countries.

As we look ahead, we need to closely monitor the implementation of the ASEAN-India Partnership for Peace, Progress and Shared Prosperity. I seek your support.

1. The Commerce Secretary G.K. Pillai later said that the work on hammering out an FTA was more or less finished, with the two sides agreeing to devise a fourth category of “lists” — highly sensitive list — to tide over disagreements, and perhaps, distrust, over tariff reductions on various items of trade. The new category would consist of tea, coffee, and pepper (mostly traded with Vietnam) and crude palm oil and refined palm oil (mostly from Malaysia and Indonesia).]

Given the results so far, I propose that we set a bilateral trade target of 50 billion US dollars by the year 2010.

To facilitate this, we should agree on a process to simplify the visa regime for businessmen to travel from India to ASEAN and vice-versa. I propose that our authorities in consultation with industry representatives formulate simple criteria for issue of visas to bona fide businessmen the same day.

India-ASEAN cooperation in the important area of health has focused on the challenge posed by Avian influenza. India will be hosting an International Conference on the subject in December. I propose that the India-ASEAN Working Group dealing with health be directed to prepare a "India-ASEAN Health Care Initiative". The focus will be on providing basic drugs at low cost to our public health systems through steps such as joint production of medical formulations. A second focus could be to develop a framework for cooperation in traditional medicine systems, which are popular in all our countries.

Climate change has emerged as a major challenge, especially for developing countries. We can gain from a knowledge partnership in this area. Our individual approaches to this global issue must be based on strong scientific foundations and on our respective local experiences and needs. In India we are already in the process of identifying a center of excellence for climate change. I would propose the setting up of an India – ASEAN Network on Climate Change that would pool and share expertise, exchange best practices and submit recommendations for common positions taking into account national priorities.

To give a boost to this cooperation, I propose to set up an India-ASEAN Green Fund with an initial contribution of US\$ 5 million for pilot projects to promote adaptation and mitigation technologies. Once the Fund is established I invite other countries to make contributions as well.

In the final analysis, if the India-ASEAN process is to take root, it must become a peoples movement. Encouraged by our success with exchange programmes for students and diplomats, I propose that we have a Special Programme for Regular Exchanges among our Parliamentarians.

I am happy that our tourists are increasingly looking eastward and more than 2 million tourists from India are expected to travel to ASEAN holiday destinations this year. The number of tourist arrivals from ASEAN countries to India has gone up to 280,000 but it is evident that there is huge scope for

expansion. I would therefore propose that we agree to work towards a target of one million tourist arrivals from ASEAN to India by the year 2010.

On earlier occasions, I have shared with you India's vision of an Asian economic community consisting of an integrated market and linked by efficient road, rail, air and shipping services. The creation of this "arc of advantage" will be possible if we can successfully create a robust institutional architecture for regional cooperation and action. The elements I have outlined earlier are the building blocks of this architecture.

I am extremely optimistic about the future of our partnership. The multi-sectoral approach towards our cooperation is the right one. I want to assure you that you will find an enthusiastic partner in India.

India has a stake in ASEAN's stability and prosperity just as we believe ASEAN has a stake in the transformation that India is experiencing.

Thank you.



132. Singapore Declaration on Climate Change, Energy and the Environment.

Singapore, November 21, 2007.

WE, the Heads of State and Government of the Member Countries of the Association of Southeast Asian Nations (ASEAN), Australia, People's Republic of China, Republic of India, Japan, Republic of Korea and New Zealand, on the occasion of the Third East Asia Summit (EAS) in Singapore on 21 November 2007;

Welcoming the regional commitment demonstrated in the Cebu Declaration on East Asian Energy Security adopted on 15 January 2007, the APEC Leaders' Declaration on Climate Change, Energy Security and Clean Development adopted in Sydney on 8 September 2007, the ASEAN Declaration on Environmental Sustainability and the ASEAN Declaration on the 13th Session of the Conference of Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) and the 3rd Conference of Parties Serving as the Meeting of the Parties (CMP) to the Kyoto Protocol adopted in Singapore on 20 November 2007;

Affirming our commitment to the UNFCCC as the core mechanism for addressing climate change at the global level, and for relevant countries, the Kyoto Protocol as well;

Welcoming the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC);

Concerned about the adverse impact of climate change on socio-economic development, health and the environment, particularly in developing countries and thus emphasising the need to enhance their adaptive capacities, as well as for the international community to urgently act to address the growth of global greenhouse gas emissions;

Recognising that rapid economic development, while contributing to sustainable development and poverty eradication in the region, poses new challenges in dealing with greater energy consumption, regional and global energy security concerns; and that growing urbanisation increases the need for environmental management, given the projected doubling of Asia's 1.7 billion urban population between 2000 and 2030;

Reaffirming the need to take an effective approach to the interrelated challenges of climate change, energy security and other environmental and health issues, in the context of sustainable development and that the pursuit of climate change and energy security policies must avoid introducing barriers to trade, investment and socio-economic development;

Cognisant that EAS participating countries are at different stages of economic development and that our economies have varying and in many cases, heavy dependence on fossil fuels, any actions to tackle global environmental issues should take into account diverse national and regional circumstances in accordance with the principle of common but differentiated responsibilities, as well as our respective capabilities;

Appreciating the efforts of various East Asia Summit participating countries, including Australia, China, India, Indonesia, New Zealand, Japan and the ROK, which have contributed to the global debate to address climate change; and

Emphasising the important role that the EAS can play in carrying out collective action to address these challenges for mutual benefit and the common good;

HEREBY DECLARE TO:

1. **Stress** that all countries should play a role in addressing the common

challenge of climate change, based on the principles of common but differentiated responsibilities and respective capabilities; and that developed countries should continue to play a leading role in this regard;

2. **Commit** to the common goal of stabilising atmospheric greenhouse gas concentrations in the long run, at a level that would prevent dangerous anthropogenic interference with the climate system;
3. **Support** the work to achieve a common understanding on a long-term aspirational global emissions reduction goal to pave the way for a more effective post-2012 international arrangement;
4. **Acknowledge** that adaptation is a critical issue for the region and as such, emphasis has to be put on both mitigation as well as adaptation measures, and recognize that sustainable development facilitates adaptation;
5. **Carry out** individual and collective actions, in a broad range of sectors, to address climate change, including greenhouse gas emissions, considering the principles of equity, flexibility, effectiveness, and common but differentiated responsibilities and respective capabilities, as well as reflecting our different social and economic conditions;
6. **Participate** actively in the process of developing an effective, comprehensive, and equitable post-2012 international climate change arrangement under the UNFCCC process; and in this context, reiterate our support for the successful outcome of the 13th session of the COP to the UNFCCC and the 3rd MOP to the Kyoto Protocol to be held in Bali, Indonesia in December 2007;
7. **Deepen** our understanding of the region's vulnerability to climate change and implement appropriate mitigation and adaptation measures, including through:
 - a. Mobilising financial support and cooperating to build capacity for the developing countries in the EAS region;
 - b. Encourage the deployment of clean technology in the region through various means, such as investment, technical and financial assistance, and technology transfer ;
 - c. Exchanging of scientific and technical expertise in partnership with international experts, and enhancing cooperation towards

- joint research and development of appropriate adaptation measures to minimize the impact of climate change;
- d. Commissioning of national and where appropriate, joint studies to assess the impact of climate change and environmental protection efforts within the region;
 - e. Promoting public awareness of the impacts of climate change and enhancing participation in efforts to mitigate the effects of climate change; and
 - f. Supporting the development and expansion of policy and measures, including innovative instruments and financing mechanisms for environmental management, to promote sustainable patterns of consumption and production.
8. **Intensify** ongoing cooperation to improve energy efficiency, and the use of cleaner energy, including the use of, renewable and alternative sources, based on the Cebu Declaration and the Joint Ministerial Statement of the 1st EAS Energy Ministers' Meeting on 23 August 2007 by:
- a. Working towards achieving a significant reduction in energy intensity;
 - b. Implementing the measures recommended by the EAS Energy Ministers, including formulation of voluntary energy efficiency goals by 2009, supporting cooperation in developing reference benchmarks for environmentally and socially-sustainable biofuels and energy market integration; and utilising, where appropriate, regional research bodies, where appropriate, such as the ASEAN Centre for Energy (ACE) and the Economic Research Institute for ASEAN and East Asia (ERIA);
 - c. Encouraging research, development, deployment and dissemination of technologies to enhance energy efficiency and conservation in key economic sectors, including buildings, industrial equipment and processes, vehicles and appliances;
 - d. Enhancing regional cooperation to develop cost effective carbon mitigation technologies, cleaner fossil fuel technologies including clean use of coal, and to produce environmentally-friendly and sustainable biofuels; and

- e. Cooperating for the development and use of civilian nuclear power, in a manner ensuring nuclear safety, security and non-proliferation, in particular its safeguards, within the framework of the International Atomic Energy Agency (IAEA), for those EAS participating countries which are interested.
9. **Promote** cooperation on afforestation and reforestation, and to reduce deforestation, forest degradation and forest fires, including by promoting sustainable forest management, combating illegal logging, protecting biodiversity, and addressing the underlying economic and social drivers, through, among others:
- a. Encouraging environmentally sustainable planning and management of the region's forests, while strengthening forest law enforcement and governance to combat illegal logging and other harmful practices;
 - b. Work to achieve an EAS-wide aspirational goal of increasing cumulative forest cover in the region by at least 15 million hectares of all types of forests by 2020;
 - c. Renewing support for global and regional avoided deforestation, afforestation and reforestation efforts such as reforestation funds and, as appropriate, debt-for-nature swap arrangements;
 - d. Continued support for UNFCCC work to stimulate action to reduce emissions from deforestation in developing countries, including through appropriate international incentives and assistance; and
 - e. Expressing appreciation for regional forest initiatives such as the ASEAN Peatland Management Initiative; the "Heart of Borneo" conservation plan, the Asia Forest Partnership and the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation, as well as global efforts such as the Global Initiative on Forests and Climate, and Indonesia's Forestry Eleven Forum initiative.
10. **Continuing** support for the implementation of United Nations Convention to Combat Desertification (UNCCD) and the Convention on Biological Diversity (CBD) at regional and global levels;

11. **Promote** co-benefit approaches, which addresses global environmental challenges through taking measures for national development concerns, including preventing environmental degradation;
12. **Strengthen** cooperation on management capacity and measures for natural disaster risks raised by climate variability and change and other environmental challenges;
13. **Encourage** the development of adaptation strategies to mitigate weather-related calamities caused by water;
14. **Foster** the conservation and sustainable management of coastal and marine ecosystems and call on the regional and international communities to participate in efforts to avoid marine pollution, such as marine litter, and the destruction of protected and vulnerable areas such as coral reefs, mangroves, seagrass beds, wetlands and seamounts, and welcome the “Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security” as one of these efforts;
15. **Enhance** access to safe drinking water and basic sanitation and promote integrated water resource management through initiatives such as the 1st Asia-Pacific Water Summit in December 2007, the Singapore International Water Week in June 2008, the International Yellow River Forum and the International Year of Sanitation 2008;
16. **Encourage** the well-coordinated and sustainable national management of mineral resources and promote environmentally-sound and efficient mining practices;
17. **Promote** environmental education to enhance human resource capabilities to address the challenges of ensuring sustainable development in EAS participating countries;
18. **Address** the environmental challenges posed by rapidly growing urbanisation in the region, by, among other measures:
 - a. Pooling our experiences, expertise and technology in areas such as urban planning including transportation, green building, water management, urban greenery and urban biodiversity conservation, sanitation and waste management, 3Rs (Reduce, Reuse and Recycle) and air, noise, water, and land pollution control;

- b. Appreciating initiatives such as “Low Carbon Society”, “Compact Cities”, “Eco-Cities” and “Environmentally Sustainable Transport”; and
 - c. Welcoming Singapore’s proposal to convene an EAS Conference on Liveable Cities in June 2008 to address the interrelated issues of urbanisation, climate change, energy, and the environment.
19. **Task** our relevant Ministers to follow up and act on our discussions on this Declaration, and in this regard:
- a. Commend the work of the inaugural EAS Energy Ministers’ Meeting in Singapore on 23 August 2007, and welcome Thailand’s offer to host the 2nd EAS Energy Ministers’ meeting in 2008; and
 - b. Welcome Viet Nam’s proposal to host the inaugural EAS Environment Ministers’ Meeting in the fourth quarter of 2008.

Done in Singapore, this Twenty-First Day of November in the year Two Thousand and Seven.

For Brunei Darussalam:
HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For the Kingdom of Cambodia:
SAMDECH HUN SEN
Prime Minister

For the Republic of Indonesia:
DR. SUSILO BAMBANG YUDHOYONO
President

For the Lao People’s
Democratic Republic:
BOUASONE BOUPHAVANH
Prime Minister

For Malaysia:
DATO’ SERI ABDULLAH AHMAD BADAWI
Prime Minister

For the Union of Myanmar:
GENERAL THEIN SEIN
Prime Minister

For the Republic of the Philippines:
GLORIA MACAPAGAL-ARROYO
President

For the Republic of Singapore:
LEE HSIEN LOONG
Prime Minister

For the Kingdom of Thailand:
GENERAL SURAYUD CHULANONT (RET.)
Prime Minister

For the Socialist Republic
of Viet Nam:
NGUYEN TAN DUNG
Prime Minister

For Australia:
JOHN HOWARD
Prime Minister

For the People's Republic of China:
WEN JIABAO
Premier

For the Republic of India:
DR. MANMOHAN SINGH
Prime Minister

For Japan:
YASUO FUKUDA
Prime Minister

For the Republic of Korea:
ROH MOO-HYUN
President

For New Zealand:
HELEN CLARK
Prime Minister



133. Press Release issued by the Prime Minister's Office containing Dr. Manmohan Singh's statement on ASEAN – India Free Trade Area.

Singapore, November 21, 2007.

The Economic Ministers of ASEAN and India held an informal consultation on November 20, 2007 at the sidelines of the 13th ASEAN Summit in Singapore. They reviewed the progress of negotiations for the Trade in Goods Agreement of the AFTA¹.

1. The media reports said that the chances of India signing a Free Trade Agreement (FTA) with ASEAN (Association of Southeast Asian Nations) appeared rather dim even as Prime Minister Manmohan Singh headed for Singapore to attend an India-ASEAN summit because of unreasonable "demands" that were being made on "some sensitive agricultural products." According to media reports the Prime Minister when traveling to Singapore told the media accompanying him that the demands from the ASEAN nations could "adversely affect our subsistence farmers and certain crops." (Even as the pressure was building up on the Prime Minister to sign the FTA, there was opposition from within the government on this count.) Despite difficulties the Prime Minister told journalists that he was personally in favour of expanding and deepening the ASEAN process. However, Union Commerce

The Economic Ministers noted with satisfaction the progress made since the last meeting at Cebu. While the main elements of the modalities have been agreed upon, a few issues relating to preferential access for a few products remain. Both sides have agreed to settle these issues by March 2008 with a view to concluding the AIFTA Trade in Goods Agreements by the ASEAN Economic Ministers (AEM) Retreat in May 2008.



Minister Kamal Nath said India and ASEAN, which held informal consultations on the margins of the ongoing ASEAN-organised summits, decided to settle all outstanding issues by March next year. Indicating this after holding talks with the ASEAN Economic Ministers, Mr. Kamal Nath told journalists that he was “optimistic about the agreement being finalised in terms of India’s policy of economic engagement in the (East Asian) region.” Asked about the intractability of the outstanding issues, Mr. Kamal Nath said differences pertained mainly to the commodities basket — palm oil, tea, coffee, and pepper. On petroleum products, he said the issue related mainly to Brunei. India’s tariff line on these products was only five per cent and, as a major importer of petroleum products, India did not see the issue with the ASEAN in this domain as a “real market access” question. “I see convergence happening,” he said. As the ASEAN Chair, Singapore Government echoed Mr. Kamal Nath’s optimism and indicated that only a few issues relating to preferential access for a few products still remained to be sorted out. A view in ASEAN circles was that India’s willingness to settle the FTA issue “in terms of a policy of economic engagement” in East Asia was a code for new flexibility. [However, Commerce Secretary G.K. Pillai announced that the work on hammering out an FTA was more or less finished, with the two sides agreeing to devise a fourth category of “lists” — highly sensitive list — to tide over disagreements, and perhaps, distrust, over tariff reductions on various items of trade. The new category will consist of tea, coffee, and pepper (mostly traded with Vietnam) and crude palm oil and refined palm oil (mostly from Malaysia and Indonesia).]

134. Press Release of the Ministry of External Affairs on the visit of students from ASEAN countries.

New Delhi, December 14, 2007.

India is hosting a group of one hundred students from the ASEAN member countries during 9-17 December 2007. This follows an announcement made in this regard by Hon'ble Prime Minister at the India-ASEAN Summit in Cebu, Philippines in January 2007. The purpose of the visit is to strengthen student exchanges between India and ASEAN countries. All expenses on travel, boarding and lodging of the students are being borne by the Ministry¹.



1. The Prime Minister while making the offer at the Cebu Summit had said: "The year 2007 marks the 40th anniversary of the founding of the ASEAN and the 60th anniversary of India's attainment of independence. Together the anniversary numbers total 100, a perfect square. I would like to offer our young friends from ASEAN countries an invitation to visit India. We will host 10 students from each of the 10 member countries of ASEAN on a trip of the sights and sounds of modern and ancient India. Centres of IT excellence in India will figure prominently in the itinerary." For full text of the Prime Minister's speech Please see Document No. 124

COMMONWEALTH

135. Press Release of the Ministry of External Affairs on the Visit of Commonwealth Secretary General.

New Delhi, March 22, 2007.

Mr. Don Mckinnon, Commonwealth Secretary General (CSG) will pay an official visit to New Delhi from 21-23 March, 2007. CSG's visit is a part of his regular exchange of views with Government of India. He last visited India in February, 2006. CSG will call on Rashtrapatiji and Prime Minister, meet Finance Minister, Minister of Commerce and Industry and Minister of State for External Affairs, Shri E. Ahamed who will also host a dinner in CSG's honour. CSG will participate in the International e-Partnership Summit of the Commonwealth Connects Programme, which will be inaugurated by Rashtrapatiji on 23 March and deliver a lecture on "21st Century Challenges" at the Indian Council of World Affairs.

India has a fruitful partnership with the Commonwealth. Some illustrative facts are:

- India will host the 53rd annual Commonwealth Parliamentary Association Conference in September 2007; it had previously hosted this event in 1957, 1975 and 1991. India will also organise the conference of Commonwealth Speakers and Presiding Officers in 2010. India will host the Commonwealth Youth Games in Pune in 2008 and the Commonwealth Games in New Delhi in 2010.
- India is playing an active role in the Commonwealth Connects programme launched at the last CHOGM in Malta in November, 2005. India had pledged the single largest contribution of Euro 1 million to this programme, out of which Euro 3,50,000 has already been paid.
- The convening of the International e-Partnership Summit in New Delhi is a reaffirmation of India's strong commitment to bridging the digital divide within the Commonwealth.
- There has been a steady increase in India's contribution to the Commonwealth Fund for Technical Cooperation, which would amount to Pound Sterling one million in 2009-10.
- At the Commonwealth Foreign Ministers' meeting during UNGA in New York in September 2006, Shri Pranab Mukherjee, then Raksha

Mantri, had announced an increase in India's contribution to the Commonwealth Small States' Office in New York from US \$ 35,000 to US \$ 100,000 per annum w.e.f. 2007-2008. Shri Mukherjee had also announced an offer of 50-75 slots in select courses under MEA's ITEC Programme through the Commonwealth Secretariat, which are in addition to the slots being offered bilaterally to various Commonwealth countries.

- A programme to train 125 SME managers from the Commonwealth countries in Africa and South Asia started at the Administrative Staff College of India, Hyderabad in February, 2007.



136. Briefing points by Official Spokesperson on the announcement of candidature of Ambassador Kamalesh Sharma for the post of Commonwealth Secretary-General.

New Delhi, June 5, 2007.

- The Government of India has decided to put forward the candidature of Ambassador Kamalesh Sharma, who is currently India's High Commissioner to the United Kingdom, for the post of the Commonwealth Secretary-General.
- The Commonwealth Secretary-General is the Chief Executive Officer of the Commonwealth Secretariat, which is the main inter-governmental agency of the Commonwealth. The Secretary General is elected by Heads of Government for no more than two four-year terms. The second term of the current Secretary-General is coming to an end in March 2008 and his successor will be elected at the Commonwealth Heads of Government Meeting in Kampala in November this year.
- The Government of India believes that Ambassador Sharma is eminently equipped to undertake this responsibility by virtue of the great interest he has shown in multilateral global affairs and in both South-South and North-South relations and the experience he has gained in these areas in the course of his distinguished diplomatic career, as well as the assignment which he has undertaken on behalf of the United Nations.

- As a Foreign Service officer, Ambassador Sharma served with great distinction in many assignments. At headquarters, all three of his assignments dealt with human resource and skills development in the developing world and a wide range of development related issues, and specifically also the areas of trade, finance and technology.
- As India's Permanent Representative to the United Nations in Geneva, Ambassador Sharma was spokesperson for developing countries in UNCTAD during the Uruguay Round of multilateral trade negotiations. As Permanent Representative in New York, he chaired the Working Group on Financing for Development and the successful consensus building that he achieved led to the conference yielding the 'Monterrey Consensus' in the conference in Mexico. He was closely engaged in the process which led to the formulation and adoption of the Millennium Development Goals. Advancement of women's rights and the challenge of poverty eradication have been Ambassador Sharma's special concerns.
- As the first Special Representative of UN Secretary-General to independent East Timor, Ambassador Sharma was directly engaged in all aspects of nation building and safeguarding its security and his contribution was widely recognised. His contribution and experience therefore extends to discharging practical responsibility on behalf of the international community in an important and complex assignment and goes beyond the conference room.
- In his current position as a member of the Board of Governors of Commonwealth Secretariat and the Commonwealth Foundation since 2004, Ambassador Sharma has taken very keen interest in the activities and advocacy of the Commonwealth, and guided the Government in India's close engagement with the Commonwealth during this period. He has represented India at the meetings of the Commonwealth Ministerial Action Group in February and November 2005 and led India's delegation at the pre-CHOGM Foreign Ministers Meeting in Malta.
- Ambassador Sharma has often spoken on the challenges of globalization and the facets of both opportunity and threat that developing societies are confronted with in this era of rapid transformation. He has edited a book on this theme entitled 'Rethinking the Global Challenge'.



137. Speech of President Smt. Pratibha Devisingh Patil inaugurating the 53rd Commonwealth Parliamentary Conference.

New Delhi, September 26, 2007.

I consider it a privilege to participate at the inaugural function of the 53rd Commonwealth Parliamentary Conference. It is after a gap of sixteen years that we, in India, have the opportunity once again to welcome Parliamentarians from the Commonwealth nations to our country. On behalf of the people of India and on my own behalf, I take this opportunity to wish you all, a pleasant stay and a successful Conference.

I am particularly pleased that the Conference has chosen to address the theme “Delivering Democracy and Sustainable Development”, a very relevant topic on which undoubtedly Parliamentarians can provide very useful insights. I am equally pleased about the Commonwealth Women’s Parliamentary Conference that was held yesterday. Women constitute nearly half of the world population and their participation in elected bodies is fundamental for the effective functioning of a democracy. Similarly, there can be no doubt that a woman’s perspective is indispensable for a broad-based and a balanced development process. Women should be fully involved and brought to the forefront of sustainable development efforts. Harnessing their wisdom and expertise in various fields, could be of immense value particularly to the developing countries. Development programmes should be gender-sensitive and should specifically address issues and concerns of women in different sectors. Women continue to face the challenge of breaking through the “glass ceiling” but they have made some inroads and have proved to be highly successful professionals, in varied fields, as astronauts, doctors, lawyers, bankers, entrepreneurs etc. However, the fact remains that women’s participation needs to be increased whether in public life or in economic activities or indeed in society itself. I hope that this Conference will focus on these issues in depth.

The Commonwealth is a family of sovereign states, representing more than two billion people, with diverse languages, cultures and customs spread over several continents. But they are all held together by a common allegiance to the basic values of democracy, faith in the rule of law and cooperation among nations for peace and prosperity. Speaking about India’s decision to join the Commonwealth, Jawaharlal Nehru, our first Prime Minister, said in 1949 and I quote, “it is necessary that we touch upon the

world's problems, not with passion and prejudice ? . but in a friendly way and with a touch of healing ? . We have begun this new association with a touch of healing.” In our contemporary world, full of strife and conflict, there is an acute need for a healing touch, where the stronger helps the weaker and the developed, the less developed.

India is one of the oldest members of the Commonwealth Parliamentary Association and represents the world's largest democracy with an electorate of more than 670 million. In India, the roots of democracy are firm and deep. The path that we traveled since our independence has sometimes been difficult but we have always had unwavering faith in democracy. There have been 14 general elections to our National Parliament and each time the verdict of the people has been respected. Irrespective of whether the vote was for continuity or for change, the transition of Government has been smooth. Moreover, we have been successful in taking democracy to the grassroots level both in the villages and in towns. We have a network of some 250,000 elected institutions of local self-government, to which we have elected some 3.2 million representatives, about 1.2 million of whom are women. This is by far the largest number of elected representatives ever in history, or anywhere in the contemporary world.

Democracy means power of the people. In a democratic set up, with universal suffrage, the various interests and concerns of the people find expression through the voice of their elected representatives. In India, the issues of poverty eradication, overall development and strengthening the social sector infrastructure have been the primary focus of parliamentary debates and discussions. Mahatma Gandhi said and I quote, “Democracy in essence means the art and science of mobilizing the entire physical, economic and spiritual resources of all the various sections of the people in the service of the common good of all.” Democracy is surely a better means to achieve sustainable development.

In a globalized and inter-dependent world, the good of all becomes a common global endeavour. Our planet belongs to all of us and to sustain it as well as to preserve it for future generations requires action by all of us. The sustainable development agenda enunciated at the Earth Summit in Rio in 1992 and at the Sustainable Development Summit in Johannesburg in 2002, provided a blue print of how to make development economically, socially and ecologically sustainable. The global partnership established, at these Summits, sought to protect the environment while addressing development needs. Many of the development issues that confront the

world -poverty, hunger, disease and ignorance - all require collective action. Indeed, poverty anywhere is a threat to prosperity everywhere. Sustainable development cannot be achieved by individual nations. It is a collective enterprise. Recognizing this, world leaders at the Millennium Development Summit held in 2000, spoke of their vision of a shared future. They adopted the Millennium Development Goals that seek to eradicate poverty and hunger, promote education, empower women, improve maternal health, reduce child mortality, combat HIV/AIDS, malaria and other diseases and ensure environmental sustainability. 2015 was agreed to as the deadline for delivery.

While some progress has been made to achieve the Millennium Development Goals, we cannot either have a sense of satisfaction or an attitude of complacency.

On the environmental aspect, there is growing evidence of the impact of climate change. It calls for energy efficient technologies, pollution control, water conservation, waste management etc., as also fulfillment by countries of their respective international obligations. In India, we have a tradition to consider man as an integral part of the eco-system and therefore, inseparable from nature. To protect the environment as well as prevent pollution and degradation of natural resources, India has adopted effective national policies and is also engaged with the international community in finding solutions to the challenges of climate change.

As per UN estimates, one fifth of the world's population lives in hunger and extreme poverty with an income of less than one dollar a day; 72 million children of primary school age are not in school; half a million women die every year due to complexities during pregnancy and child birth; 2.1 million people die from AIDS; 1.6 billion people lack access to basic sanitation. I cite these figures only to highlight the magnitude of the task that lies ahead. Firm political will is required to meet the 2015 target date. Financial resources and technologies need to be made available to developing countries for meeting the Millennium Development Goals. At the Doha Round of trade talks, the concerns of the developing countries should be taken on board. In the international financial institutions, the developing countries should have a greater role in the decision-making processes so as to better address the issues of development at the global level. The global partnership now needs to deliver.

India has made tremendous progress since the last meeting of the Commonwealth Parliamentary Association held here in 1991. Some of you

who may be returning here must have noticed the changes. A new, confident and young India is emerging. ICT and knowledge-based industries have become for us the tools of advancement. The Indian economy is growing at an impressive rate. With a growing economy and a stable democracy, India has reason to be optimistic that it would be able to deliver both democracy and development to its citizens.

Though, itself a developing country, India has sought to extend support to other developing countries, particularly through its technical and economic cooperation programmes, under which it has so far provided over US \$ 2 billion worth of technical assistance to developing countries. We seek to build friendship among nations and will continue to work with regional bodies and the international community for peace, progress and prosperity in the world.

Before I conclude, I would like to mention the serious threat emanating from the disruptive activities of terrorists who are using modern technologies to set up extensive networks and are killing innocent people. Terrorism has no justification whatsoever and no cause can be served by shedding the blood of innocent people. It is imperative that we all take a firm and unequivocal stand against terrorism in all its forms and manifestations. India will continue to work to further strengthen international co-operation against terrorism.

Distinguished delegates, you have a heavy and wide-ranging agenda. Your deliberations will be a powerful message about the fight against global poverty, a more equitable world, the sustainable development agenda and democratic values and path. With these words, I have great pleasure in inaugurating the 53rd Commonwealth Parliamentary Conference.



138. Media Briefing by Foreign Secretary Shivshankar Menon on Prime Minister's visit to Kampala to attend the CHOGM meeting.

New Delhi, November 19, 2007.

Official Spokesperson: Good afternoon everybody and welcome to this briefing. I would request the Foreign Secretary to brief you on Prime Minister's visit for CHOGM to Kampala. Thereafter we will have some time for questions.

Foreign Secretary: Good afternoon. We thought we would give you a preview of the Commonwealth Heads of Government meeting to which Prime Minister will be going. It will be preceded by a meeting of Commonwealth Foreign Ministers for which Mr. Pranab Mukherjee will be leaving tomorrow. On 21st and 22nd will be the Foreign Ministers meeting and that will be followed by the Heads of Government meeting in Kampala.

I believe we have circulated to you a brief on India and the Commonwealth from which you get some idea of the extensive engagement that India has with member states of the Commonwealth, not just through the Commonwealth but also bilaterally. What I thought I would do is to give you an outline of what we expect to have over the next few days. Then, maybe, you could ask me questions about whatever you like.

The theme of the Kampala CHOGM is "Transforming Societies to Achieve Political, Economic and Human Development". The way the Commonwealth goes about its business, I think, is unique. It is much more informal, much more consultative, much less of the formal statements prepared beforehand which you are used to in such international meetings. So, what is likely to happen is that the two-day meeting of the Foreign Ministers will go through most of the agenda, prepare that. When Heads of Governments meet there will be a brief inaugural session followed by an executive session. Then there will be three retreat sessions where they will meet alone or with one, or maximum two aides, at a time, and then there will be a concluding session. So, most of it is really in the informal surroundings where they sit among themselves. It is not a formal structure where they make all these prepared statements and so on and they go through the agenda.

The programme in Kampala itself, as I said, is largely of three sessions of informal retreats, the inauguration, the executive session and the closing session. The agenda that they will be covering in these meetings, I think, is

also available with you. Simultaneously, there will be bilateral meetings arranged on the sidelines both for the Foreign Minister and for the Prime Minister. There will be a Joint Business Delegation from FICCI, CII and ASSOCHAM to the Commonwealth Business Forum which will be taking place in Kampala from the 20th to the 22nd, which will be led by Minister of State for Industry, Mr. Ashwini Kumar.

At the same time, there will be the inauguration on the 19th of November, that is today, in Kampala of the 'Hole in the Wall' Project, which is something that NIIT has done for us in certain selected African countries who are Commonwealth members where they take computers and install them really in underprivileged neighbourhoods or in a village. It is a form of education for children who otherwise do not have access to computer education. It is a model that they have tried out in India - it has worked out very well - where they actually install touch screens connected to computers in the middle of a village or in the middle of a mohallah, in the neighbourhood, and then let the children interact with it. Through the process of interacting they developed over time software which responds to what children actually want out of it. So, for the children its play but it is also learning at the same time. It is a project which we think has tremendous potential because it has developed over time into something that evokes quite a response from children around the world. So, we are looking forward to doing that.

The formal agenda of the CHOGM begins with the report by the Secretary-General and then the presentation of the Commonwealth Ministerial Action Group report. This I think will be dominated by the issue of Pakistan. At their last meeting on the 12th, the Commonwealth Ministerial Action Group had looked at the situation in Pakistan after the imposition of emergency.

It is their job to review Pakistan's transition to democracy and to come to a view. They had decided at that meeting on the 12th to meet again on the 22nd on the eve of CHOGM and then to make a recommendation to the Heads of Government. We are not members of the Ministerial Action Group (CMAG). We were, for the first two terms. Then we thought it is better left to somebody else from other countries who have not been members. So, we will see what they come up with on the 22nd and we have to consider that.

The meeting will then consider global economic developments including climate change. Certainly, international trade issues like the Doha Round and so on will be discussed. But as I said, this is done in an informal setting between the Heads and it is really a chance to exchange ideas rather than to take formal decisions.

There will also be a discussion, this is I think very unique to Commonwealth, on development in small states because so many of the Commonwealth states are small states. I think about 33 out of 53 regard themselves as small states. The special needs of small states is something that we are looking forward to discuss because from our point of view we have very active programmes for technical cooperation, economic development for projects in small states. It is a place which we find very useful. We find it as a useful occasion for us to test what we think against what is expected and what is needed.

Thereafter, the CHOGM also discusses mandates from the last CHOGM. There are four mandates which came from the Malta CHOGM two years ago in the meeting in Valetta. One was, there was a report of the Committee on Commonwealth Membership. Since there was an interest in membership among other countries, there was a Committee which was asked to go through what the criteria for membership should be and how this should be handled. That is one report that they would be considering.

The second mandate was, in Valetta they had established the Commonwealth Commission on Respect and Understanding which is chaired by Prof. Amartya Sen about respect and understanding between cultures, civilizations, nations and so on. He will be making a presentation to the Heads at the Summit.

There is also the report of the Committee on the Commonwealth Connects Programme which is an attempt by the Commonwealth to bridge the digital divide to which we as India have made a fairly substantial contribution of a million Euros. So, we will be going to this meeting and trying to explain what we have done and what we hope to do, and to review the programme.

Lastly, one of the mandates was that the Secretariat had been asked to do a paper on networking the Commonwealth on trade, sustainable development and aid architecture. So, that will also come up to the Heads.

The Heads will also this time elect the next Secretary-General of the Commonwealth. As you know, we have a candidate. It is Asia's turn now. There has never been an Asian Secretary-General since the Commonwealth Secretariat was set up in 1965. Mr. Kamlesh Sharma, who is presently our High Commissioner in London, is our candidate. We think his qualifications are excellent. We also attach importance to this because, as I said, for us the nature of the Commonwealth, its potential contribution to development, its importance and centrality to our engagement with partners in Africa, all

this make Commonwealth for us an important and significant organization. We do hope that the other members will agree with us that Kamlesh Sharma would be the best, perfect Secretary-General.

If there are any questions which you might have on CHOGM or on any other issue, I will be very happy to answer them.

Question: When you said earlier that you are not members of Commonwealth Ministerial Action Group, which you have been for the past two terms, did India rescue itself after all of this stuff going on in Pakistan?

Foreign Secretary: No, not really. In fact, when we were on the CMAG, Pakistan was on the agenda. We were on the CMAG almost till 2005. It is just that we made way for other people.

Question: Do you feel that Pakistan is exporting instability to the region at the moment?

Foreign Secretary: I think that is a very broad question. We know that Pakistani territory is used by groups which engage in all sorts of activities, whether it is terrorism or drugs. But that is a different thing from saying that Pakistan is doing it. There are groups within Pakistan which certainly export various forms of instability.

Question: What is our view on Pakistan in the Commonwealth? Suppose they say that Pakistan should not attend because of lack of democracy. What will be our position? Will they be expelled?

Foreign Secretary: I think CMAG itself had laid down settled criteria on the 12th when we met, and they even said that if Pakistan were to do 1,2,3,4,5 - I think five things - by the 22nd, then they would come to one kind of recommendation; otherwise they would consider what action to take. Until they come to a conclusion and tell us what they think, I think it would be premature for us to say this is what the Commonwealth should do about Pakistan's place in the Commonwealth. On our attitude to what happens in Pakistan, I think we have made that quite clear. We hope for a stable, peaceful Pakistan at peace with itself. We want a peaceful periphery for our own interests and we want to have friendly neighbours who we can work with. That is what we would like to see, a transition to that situation. We will work with anybody who we can in order to achieve that transition. But frankly, that is a different issue from what will happen to the issue of Pakistan in the Commonwealth. This is the position today until we know what recommendation CMAG has come to make. Then we

will see.

Question: What are the bilateral meetings that are going to be held?

Foreign Secretary: We are still setting them up. We will let you know there because we are still working out the schedules.

Question: Is the Prime Minister likely to meet his Pakistani counterpart?

Foreign Secretary: As I said, the whole issue of Pakistan's participation in the meeting is an issue. So, we have to see.

Question: Have the developments in Pakistan affected the peace process or is this going on as usual? Have any dates been changed for the Composite Dialogue?

Foreign Secretary: I think the Fourth Round of the Composite Dialogue has been largely completed. All the scheduled meetings were held on time. What is left now is to hold the concluding round at the Foreign Secretaries' level. We have not set a date for it earlier either. So, we have not postponed or changed any meetings. But certainly, I think, we would be guided in our pace of meetings and what we do next when we do it by the fact that both sides have to be comfortable and ready to do these things.

Question: Since emergency was imposed in Pakistan, has the Government come up with an assessment on whether terrorism and drug trafficking nexus has been on the rise? Has there been any change in the trend? Secondly, how is Mr. Sharma's campaign coming up?

Foreign Secretary: Frankly, I do not agree that cross-border terrorism, or issues like drug trafficking can be seen over two days, three weeks, or four weeks. This has been a longstanding problem and I think you need to look at it over the longer time frame. If you take the longer view, certainly the situation today is better than it was say four years ago. But there will be periodic ups and downs. I do not want to start drawing immediate conclusions about what this reflects of the situation in Pakistan or not. We will work with all those who work with us to stop cross-border terrorism, to stop drug trafficking. This is irrespective of the interim situation in countries. This is an absolute must. We need to stop these things. So, I would rather not get into this kind of conclusion that you were hinting at.

On the candidate, we think it is going well. We have got assurances of support from several countries. We would like all the countries to agree with us and it to happen by consensus. We will keep working at it.

Question: How many candidates are there?

Foreign Secretary: There are two official candidates. One is the Foreign Minister of Malta and the other is Mr. Sharma. I believe that somebody called Mr. Kaul has also put his name forward. He is from the Commonwealth Business Forum. I do not think he is supported by a State.

Question: Is Mr. Kaul not a worry because he is of Indian origin?

Foreign Secretary: We are a democracy. The world is open.

Question: Just wanted to check as to what is going to happen as far as talks with IAEA are concerned.

Foreign Secretary: We will be talking to the IAEA very soon.

Question: Before the annual conference? Have you set deadlines for that?

Foreign Secretary: The general conference is next September, certainly before next September.

Question: Before the Board meeting?

Foreign Secretary: We will be talking to the IAEA very soon.

Question: What is your projection on how long the discussions with the IAEA will take?

Foreign Secretary: I do not want to guess what is going to happen. Luckily, I am not an astrologer and I do not have to do that.

Question: Can you give us a date when the team will be going?

Foreign Secretary: No.

Question: There is a lot of speculation about the timeline being reworked about the IAEA negotiations. Are you in the process of reworking the timelines?

Foreign Secretary: Have I ever given you a timeline?

Question: Not to me.

Foreign Secretary: Not to any of you. So, as far as I have not given you a timeline, there is no timeline to be reworked. This is exactly why we do not get into this because it then becomes, "What was your timeline? Have you changed it? Have you rewound it? Has it been advanced? Has it been

delayed?" We have always said the next step is to do an India-specific IAEA Safeguards Agreement which is what we are about to do and we will now do. After that, it then has to go to subsequent stages even before we start opening up civil nuclear cooperation with the rest of the world including with the US.

Question: Would that be in time, before the Bush Administration actually gets into the election mode?

Foreign Secretary: You want a timeline in other words?

Question: Is the Prime Minister coming back from Singapore and then going to Uganda the day afternoon?

Foreign Secretary: He would be, yes.

Question: There was some story that there are security problems in Uganda and the Prime Minister may not go and somebody else may go in his place. Is that correct?

Foreign Secretary: The PM is going to Uganda. He is going to CHOGM. I think I started by saying that. Obviously, we will take whatever precautions we can but it is ultimately the host Government's responsibility to take care of security. The PM is going to Uganda.

Question: But are there no security worries and concerns?

Foreign Secretary: We have been assured that security will be taken care of and we will do whatever we can as well.

Question: I would like to seek a clarification on the IAEA and SG process. Do you have to sign the safeguards agreement before you go to the IAEA or you just have to have a final text?

Foreign Secretary: Can I ask you a counter question? How does it matter? Frankly, these are levels of detail which we will work our way through as we come to them. I do not see how it contributes very much right now to say that this is where we will dot the i's and cross the t's. We will work it through. We know we need to finalize an IAEA safeguards agreement and we will do that with the IAEA, with the Secretariat. Thereafter, there are other steps that need to be taken before civil nuclear cooperation with other countries is operationalised, before we can actually start cooperating with other countries. We will take those steps as and when we come to them.

Question: Is there a constraint that you feel in terms of having to report back to the mechanism before you come to next steps? Is that a problem?

Foreign Secretary: I think it is a known process in any negotiation, and this is an unprecedented negotiation. I do not think anyone has any experience certainly among ourselves of doing this. We will try and build as broad a consensus as possible within India for a major step like this. So, I see both these processes as being necessary. Our engagement with the rest of the world, whether it is with the US, with other partners, with the IAEA, with the NSG, we do that process. At the same time we also do a domestic process of consensus building, of talking about the issues concerning civil nuclear cooperation with the rest of the world. I do not see one as being a constraint on the other. In fact, I think both are necessary and you need to do both. So, I would rather look at it positively that this is part of the process of our internalizing something that is a big thing. It does represent a very significant step, I think, that everyone recognizes. It is a part of the process of both internalizing and externalizing it as well while we talk with the rest of the world.

Question: On the subject of ASEAN and on what the Indonesian Trade Minister said either yesterday or this morning ...(inaudible)...the ASEAN-India Free Trade Agreement...(inaudible)...

Foreign Secretary: I think Secretary (East) is coming to talk to you about that. He will deal with issues relating to the ASEAN, the EAS, etc.

Thank you.



139. Statement of Prime Minister Dr. Manmohan Singh before his departure for Kampala to attend CHOGM – 2007.

New Delhi, November 21, 2007.

I am leaving for Kampala to attend the Commonwealth Heads of Government Meeting (CHOGM) that begins tomorrow.

CHOGM 2007 has a rich agenda before it. This includes a review of global developments, including Climate Change, the Millennium Development Goals, Human Rights and Terrorism. The special theme of the Meeting is "Transforming Societies to achieve Political, Economic and Human Development". Issues relating to the 32 Small States which are members of the Commonwealth will also be taken up.

India is strongly committed to the Commonwealth's role of nurturing a sense of belonging to a shared past and a shared destiny based on common values. The Commonwealth is a forum that is uniquely placed to harness the strength and diversity of its membership in cooperating with each other and addressing the global challenges of trade, sustainable development and social advancement.

India has consistently played an active role in the Commonwealth. We have several technical assistance and cooperation programmes in place, particularly for the developing countries in Africa and the Small States, which we will seek to enhance.

I look forward to meeting a large number of leaders and having a constructive dialogue with them on both bilateral and international issues. I will use the opportunity to highlight the major socio-economic transformation that is underway in India, and the opportunities this provides for the emergence of a new world order.



140. Statement by Prime Minister on the election of Kamalesh Sharma as the next Secretary General of Commonwealth.

New Delhi, November 24, 2007

I am delighted that the Commonwealth Heads of Government have selected Kamalesh Sharma as the next Secretary General of the Commonwealth. His long record of public service in the international community has been capped by this recognition of his capability and his inclusive vision of the Commonwealth. I am confident that he will acquit himself well in his higher responsibilities as the first servant of the entire Commonwealth.

Statement by External Affairs Minister Pranab Mukherjee.

I extend my warmest congratulations to Shri Kamalesh Sharma on his election as the next Secretary General of the Commonwealth. I also take this opportunity of conveying my thanks to all the countries that supported his candidature. I would like to point out that Shri Sharma may have been the candidate of India, but he will be the Secretary General of the entire Commonwealth community.

Curriculum Vitae of Ambassador Kamalesh Sharma Secretary General-designate of the Commonwealth.

Ambassador Kamalesh Sharma is High Commissioner of India to the United Kingdom and India's representative on the Board of Governors of the Commonwealth since 2004.

He was educated in St. Stephen's College, Delhi (1957-62), and King's College, Cambridge (English Literature). He has been a member of the Indian Foreign Service (1965-2001) and has wide-ranging diplomatic experience culminating in five ambassadorial assignments. Ambassador Sharma served as Permanent Representative of India to the United Nations in Geneva, where he was spokesman for developing countries in United Nations Conference on Trade and Development (UNCTAD) during the Uruguay Round (1988-1990). He later became Permanent Representative of India to the United Nations. During his tenure in New York, he chaired the Working Group on Financing for Development, the success of which led to the 'Monterrey Consensus' between the North and South. He was also closely involved in the formulation of the Millennium Development Goals.

Throughout his career, Ambassador Sharma has shown a strong commitment to all facets of equitable global relationships, enlightened governance, gender equity and engagement with issues of global regimes involving trade, technology and finance. He was instrumental in focussing consideration within the UN on the issue of youth unemployment and in the continuing initiative known as 'YES' (Youth Employment Summits). Ambassador Sharma is a frequent speaker on and advocate of the need to strengthen human solidarity and the conviction that collective challenges of the 21st century require collective engagement and solutions, as well as on the theme of the challenges and opportunities created by the era of globalisation and rapid change.

Ambassador Sharma has held senior appointments in the Government of India. He was head of the economic diplomacy and multilateral diplomacy divisions of the Ministry of External Affairs and served as chief of policy planning. He also developed and thrice administered the Indian Technical and Economic Cooperation Programme, which primarily supports human resource and skills development in fellow developing countries. On assignment to the Treasury, Ambassador Sharma was responsible for the hydrocarbon sector of the Indian economy and the administration of development assistance from Europe.

Ambassador Sharma was the first Special Representative of UN Secretary General to independent East Timor (2002-2004) with the rank of Under Secretary General. In this capacity he was responsible for internal security and for laying the foundation for all areas of public administration, including those of justice, financial administration, policing and protection of human and women's rights.

In his capacity as India's Governor in the Commonwealth Secretariat and the Commonwealth Foundation, Ambassador Sharma has taken very keen interest in the activities and advocacy of the Commonwealth, significantly enhancing India's active engagement with it. He has guided India's increased contributions to the CFTC, Commonwealth Connects, the youth programme and the Commonwealth Small States Office in New York. He represented India at the meetings of the Commonwealth Ministerial Action Group in February and November 2005 and led India's delegation at the pre-CHOGM Foreign Ministers Meeting in Malta.

Ambassador Sharma edited 'Imagining Tomorrow – Rethinking the Global Challenge', and 'Milles Fleurs-Poetry from around the World', both released on the occasion of the Millennium Summit in New York. He has honorary

doctorates from De Montfort and Middlesex universities in the UK. He was a Director of the Peace Academy, New York. He is recipient of the medal of the US Foreign Policy Association of the US, is a Fellow of Harvard University, and is a Governor of Ditchley Foundation.

Ambassador Sharma is married and has two children. His interests include literature, cosmology, spiritual traditions, cricket, Indian classical music, opera and jazz.

India and the Commonwealth

India is the largest member state of the Commonwealth, with nearly 60% of the total population of the association. It was instrumental in the formation of the modern Commonwealth in 1949. It is the fourth largest contributor to Commonwealth budgets. It provides the largest number of technical experts funded by the CFTC extending assistance to developing Commonwealth countries after UK.

2. India is a member of key Commonwealth bodies, including the Steering Committee on Commonwealth Connects (earlier Commonwealth Action Programme for the Digital Divide), the Standing Committee on Terrorism, Commonwealth Advisory Board on Sports, Grants Committee of Commonwealth Foundation as well as the Executive and Accreditation Committees of the Commonwealth Secretariat's Board of Governors. India/ eminent Indians have been members of important special committees set up by the Commonwealth from time to time, for instance, Intergovernmental Group on Criteria for Commonwealth Membership set up following the 1995 CHOGM; Mandates Committee set up in 2003 to review the mandates of Commonwealth organisations; Commonwealth High Level Review Group constituted at 1999 CHOGM to review the role of Commonwealth and advise on how best it could respond to challenges of the new century; and Commonwealth Expert Group on Democracy and Development set up following Coolum CHOGM. Nobel Laureate Prof. Amartya Sen Chaired the Commission on Respect and Understanding set up as a follow-up to the Malta CHOGM. Shri Yashwant Sinha, former EAM was a member of the Committee on Commonwealth Membership.
3. India has consistently and significantly contributed to various Commonwealth activities and has stepped up its engagement in recent times, as illustrated by the following initiatives:

- India announced a contribution of Euro 1 million to the Commonwealth Connects Programme/ Commonwealth Action Programme for Digital Divide at Malta CHOGM. The amount will be disbursed over three years starting 2006-
- India has increased its contribution to the Commonwealth Fund for Technical Cooperation (CFTC) to £ 800,000 in 2005-06 and £850,000 in 2006-07 and will enhance it by £ 50,000 each year for the next three years to reach £ 1 million in 2009-10.
- India has proposed to undertake the responsibility for upgrading the physical infrastructure of the Commonwealth Youth Programme (CYP) Asia Centre in Chandigarh and the Rajiv Gandhi National Institute of Youth Development, Sriperumbudur, as a part of the proposed expansion of the activities of CYP Asia Centre, including its networking with RGNIID and other institutions with similar objectives.
- India has increased its contribution to the Commonwealth Joint office for Small States' Permanent Missions in New York to USD 100,000 p.a. from 2007-08.
- India supported and followed up approval of US \$ 260,000 by the UN Democracy Fund(UNDEF) through its Advisory Board to the Commonwealth Local Government Forum for its project on Councillor training for local democracy and good governance in South Asia.
- India has offered 50-75 ITEC slots in select courses through the Commonwealth Secretariat. These are in addition to the sizeable number of slots given to Commonwealth countries bilaterally. We have also offered to provide up to five ICT experts for periods upto six months under the Commonwealth Connects Programme.
- India is training SME Managers from Africa and South Asia within the Commonwealth framework.
- India has announced its decision to increase its contribution to the Commonwealth of Learning from Rs.24 million to Rs.40 million at the 16th Commonwealth Education Ministers Meeting, held in Cape Town in December 2006.

- India has hosted several Commonwealth events. These include, in March 2007 alone, the Commonwealth Connects International e-Partnership Summit, Sixth Commonwealth-India Small Business Competitiveness Development Programme in Kochi and the Commonwealth Study Conference organised by CII. India also hosted the 53rd annual Commonwealth Parliamentary Association Conference in September 2007, and will host the 2008 Commonwealth Youth Games in Pune, 2010 Commonwealth Games in New Delhi, and the Conference of Commonwealth Speakers and Presiding Officers in 2010.
- India has presented the candidature of Shri Kamalesh Sharma, High Commissioner to U.K for the post of Commonwealth Secretary General.

Commonwealth's Significance to India

4. India has a natural partnership with the Commonwealth. It is a community of English speaking countries. It has a preponderance of developing countries who want to promote South-South cooperation. It is an association which puts a premium on democracy and good governance, where India has so much to share with others.

It provides a platform to interact and build consensus with a very diverse group of countries, including G-8 countries like the UK and Canada, developing countries as well as Small States.
5. The Commonwealth is a unique international grouping with bulk of its membership coming from 32 Small States. There is a great degree of genuine appreciation among these States for India as the largest and a vibrant democracy and for the high-tech advancement and economic progress India has achieved in the past decade and a half. India has a growing profile of development cooperation with these states.
6. A large number of Commonwealth countries also have a sizeable Indian population. The promotion, maintenance and strengthening of healthy democratic institutions and rule of law in these countries is in our interest.
7. Though the UN remains the principal forum for multilateral action, the Commonwealth is eminently placed in addressing many issues

through its unique style of functioning which is consensus-building, informality and goodwill. The informal ways in which dialogue is conducted and decisions arrived at in the Commonwealth bodies provide a very good basis for addressing common concerns.

The CHOGM Summits provide, through the Retreat, an opportunity for the leaders to interact informally in a relaxed atmosphere.



141. Final Communique issued at the end of the Commonwealth Heads of State/Government Meeting.

Kampala, November 25, 2007.

1. Commonwealth Heads of Government met in Uganda from 23 to 25 November 2007. Of the 48 countries that attended the Meeting, 36 were represented by their Heads of State or Government.
2. The Opening Ceremony of the Meeting included an address by Her Majesty Queen Elizabeth II, Head of the Commonwealth.
3. Heads of Government conveyed their sincere appreciation to the Government and people of Uganda for the warm hospitality extended to them and for the excellent arrangements made for the Meeting. They also congratulated President Museveni for his leadership in chairing the Meeting.

Fundamental Political Values

4. Heads of Government reiterated their commitment to the Commonwealth's fundamental political values of: tolerance; respect; international peace and security; democracy; good governance; human rights; gender equality; rule of law; the independence of the judiciary; a balance of power between the Executive, Legislature and Judiciary as recognised in the Commonwealth (Latimer House) Principles; freedom of expression; a political culture that promotes transparency and accountability; and sustainable development.
5. They also reaffirmed that the responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity is a fundamental Commonwealth value, and reiterated their

commitment to work together to ensure that the responsibility to protect is carried out by the international community, in accordance with the United Nations Charter.

6. Heads of Government reiterated their full support for the good offices role of the Secretary-General in conflict prevention and resolution, and post-conflict reconstruction and development. They also expressed their continuing commitment to the Commonwealth Secretariat's work to strengthen democratic institutions, processes and culture including through election observation, provision of technical assistance and training and other activities, upon the request of the countries concerned. Heads of Government acknowledged the value of the Commonwealth's strategic partnerships with other international and regional organisations and encouraged the Commonwealth Secretariat to further develop these links so as to enhance co-operation in areas of common interest.
7. Heads of Government welcomed the Secretariat's collaboration with the Commonwealth Parliamentary Association (CPA), the Commonwealth Local Government Forum (CLGF) and other relevant organisations to promote best democratic practice. They commended the CPA for providing assistance to Commonwealth Parliaments for capacity-building and promoting awareness about the respective roles of the Government and Opposition in democracies, and took note of the outcomes of its 2007 New Delhi Conference. They reaffirmed their support for the Aberdeen Principles on Good Practice for Local Democracy and Good Governance and encouraged member states to implement the Auckland Accord: Delivering Development through Local Leadership. They urged the CLGF to continue its work in strengthening the role of local government in Commonwealth societies.

Commonwealth Ministerial Action Group on the Harare Declaration (CMAG)

8. Heads of Government endorsed the Report of the CMAG covering the Group's deliberations in the period since the Malta Commonwealth Heads of Government Meeting (CHOGM) in November 2005. They commended CMAG's work, which has contributed significantly to the promotion of the Commonwealth's fundamental political values in member countries.

9. Heads took note of CMAG's suspension of Fiji Islands from the Councils of the Commonwealth on 8 December 2006 following the military takeover of Fiji's democratically elected Government. They reiterated CMAG's call for the restoration of constitutional rule and democratic government as soon as possible and not later than the March 2009 deadline which the military Government has committed itself to. They welcomed the dialogue which had been opened with the interim Government and the engagement by the Chairperson of CMAG and the Secretary-General with Fiji Islands.
10. Heads took note of CMAG's suspension of Pakistan from the Councils of the Commonwealth on 22 November 2007 following the Government of Pakistan's failure to implement a series of measures requested by CMAG in response to the imposition of a state of emergency and the abrogation of the Constitution by President Musharraf on 3 November 2007. They expressed their serious disappointment that President Musharraf had failed to implement the decision of Heads at their last CHOGM in Malta that the offices of Head of State and Chief of Army Staff be separated at the end of the Presidential term in 2007. They acknowledged his announced intention to separate the roles in the future and called on him to do so as soon as possible. While welcoming the announcement of the elections on 8 January 2008, they stressed the need for the Government to move rapidly to create the conditions that would allow the elections to be free, fair and credible. They endorsed the decision by CMAG to review progress following the conduct of the scheduled elections in January 2008 and called on the Government of Pakistan to respond positively to the Commonwealth's desire to remain engaged and support the return of democratic government and the rule of law in Pakistan.
11. Heads of Government reconstituted the membership of CMAG for the next biennium as follows: Ghana, Malaysia, Namibia, New Zealand, Papua New Guinea, St Lucia, Sri Lanka, United Kingdom and Uganda (as Chairperson-in-Office).

Belize

12. Heads of Government noted the recent developments in the ongoing efforts of Belize to seek a just, peaceful and definitive resolution to Guatemala's territorial claim, under the Agreement on a Framework for Negotiations and Confidence Building Measures between Belize

and Guatemala signed by the two parties and the Secretary-General of the Organisation of American States (OAS) on 7 September 2005 and in particular, the recommendation of the Secretary-General of the OAS, Jose Miguel Insulza, on 19 November 2007 that Belize and Guatemala should submit the issue to the International Court of Justice.

13. Heads of Government expressed their satisfaction that the process of the relocation of the Guatemala settlement of Santa Rosa, from Belizean to Guatemalan territory is under way and will be completed shortly.
14. Heads of Government reiterated their firm support for the territorial integrity, security and sovereignty of Belize.
15. Heads of Government mandated the Secretary-General to convene the Ministerial Committee on Belize whenever necessary.

Cyprus

16. Reaffirming their previous Communiqués on Cyprus, Heads of Government expressed their support for the sovereignty, independence, territorial integrity and unity of the Republic of Cyprus. They expressed their support for a lasting, just and functional settlement based on the principles of the UN Charter, the relevant UN Security Council resolutions and the principles of the Commonwealth.
17. Heads of Government called for the implementation of UN Security Council Resolutions on Cyprus, in particular Security Council Resolutions 365 (1974), 541 (1983), 550 (1984), 1250 (1999) and all subsequent resolutions. They reiterated their support for the respect for the human rights of all Cypriots, including the right to property, the implementation of the relevant decisions of the European Court of Human Rights and for the accounting for all missing persons.
18. Heads of Government further agreed on the importance of supporting the efforts of the UN Secretary-General to bring about a comprehensive settlement of the Cyprus problem in line with relevant UN Security Council Resolutions.
19. Heads of Government welcomed the principles and decisions enshrined in the 8 July 2006 Agreement and stressed the need to

start the process as described in UN Under-Secretary-General Gambari's letter of 15 November 2006, without delay and without preconditions, in order to prepare the ground for full-fledged negotiations, leading to a comprehensive and durable settlement.

Guyana

20. Heads of Government noted that the Commonwealth Ministerial Group on Guyana, which was established in 1999 to monitor developments in respect of the existing controversy between Guyana and Venezuela, met recently in September 2007. They expressed satisfaction at the cordiality which had characterised relations between Guyana and Venezuela in recent years and recognised the instrumental role of dialogue at the highest levels in facilitating the commitment to a peaceful settlement of the controversy under the aegis of the United Nations Good Offices Process and to enhanced co-operation at the bilateral, regional and multilateral levels. Heads however took note of the incursions by Venezuelan military personnel and aircraft into Guyana's territory and airspace on 15 November 2007 and reiterated the need for the controversy to be resolved by peaceful means.
21. Heads of Government reaffirmed their unequivocal support for the maintenance of Guyana's territorial integrity and sovereignty, including its unrestricted right to development of the entirety of its territory for the benefit of its people. Heads of Government mandated the Secretary-General to continue to convene meetings of the Ministerial Group on Guyana whenever necessary.

Promoting Respect and Understanding

22. Heads of Government noted the Report of the Commission on Respect and Understanding chaired by Professor Amartya Sen and adopted the Munyonyo Statement on Respect and Understanding.

Disarmament and Non-Proliferation

23. Heads of Government acknowledged the threats posed by weapons of mass destruction and in this regard reaffirmed their commitments towards the attainment of general and complete disarmament, including nuclear disarmament. They also reaffirmed their commitment to the non-proliferation of weapons of mass destruction. They reiterated that these objectives should be achieved in accordance with the UN Charter and international law.

Small Arms and Light Weapons

24. Heads of Government expressed their deep concern over the illicit manufacture, illegal trade, and uncontrolled availability of small arms and light weapons, including man-portable air defence systems and their ammunition. They also highlighted the nexus between the proliferation of such weapons and terrorism, increased drug trafficking, other criminality and armed violence. Heads of Government also reaffirmed their concern at the threat this posed to national, regional and global peace and security by prolonging conflicts and hindering development.
25. Heads of Government expressed their support for the UN Firearms Protocol, and encouraged all member states to become parties to the Protocol. They also expressed their support for the 2001 UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, and action to identify and trace illicit Small Arms and Light Weapons. They also expressed support for the ongoing Secretariat assistance to member states in dealing with the issue of illicit trade in small arms and light weapons.

Arms Trade Treaty

26. Heads of Government noted the ongoing discussions towards a comprehensive Arms Trade Treaty (ATT) in respect of all conventional weapons.

Cluster Munitions

27. Heads of Government recognised the danger which cluster munitions can pose to civilians and welcomed efforts to negotiate a proposal to address humanitarian concerns arising from their use.

Landmines

28. Heads of Government recalled the progress made by States party to the Ottawa Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction in addressing the global anti-personnel landmines problem through the Comprehensive Framework for Mine Action provided by the Convention. They urged all countries which are in a position to do so, to accede to the Convention and fully implement

their respective obligations. They recognised the importance of the continuation of the international community's assistance for affected countries aimed at achieving the goals established by the Ottawa Convention beyond 2009.

International Co-operation in Criminal Matters

29. Heads of Government acknowledged that it is critical that States have the ability and capability to co-operate with each other, and with relevant international organisations, in action on criminal matters and against drug trafficking. They therefore urged all member states to support the full implementation of those UN Conventions that address international co-operation in criminal matters. They further encouraged the Secretariat to continue to provide technical assistance and targeted capacity-building activities in consultation with member states.

Combating Corruption and the Tracing and Recovery of Assets of Illicit Origin

30. Recognising that extortion, bribery and corruption undermine good governance, respect for human rights and economic development, Heads of Government reaffirmed their commitment to combat systemic corruption at both national and international levels. Heads of Government urged member states which had not already done so to consider becoming parties to the UN Convention against Corruption (UNCAC). They acknowledged the ongoing activities of the Secretariat designed to build institutional capacity and awareness in member states so as to assist them with its implementation and enforcement. They encouraged member states to consider implementing the recommendations of the 2005 Commonwealth Expert Working Group on the Recovery and Repatriation of Assets of Illicit Origin. They also recognised the resolutions of the First Conference of the States Parties to UNCAC, which address asset recovery and international co-operation and affirm those twin pillars among principal objectives of the Convention.

Human Trafficking

31. Heads of Government expressed their abhorrence at increasing levels of human trafficking, which deprives people of their human dignity. Heads of Government urged member states to put in place a framework to prevent human trafficking, protect and support victims

of human trafficking and prosecute human traffickers. Such a framework would include all necessary criminal measures and investigative and international co-operation tools to combat human trafficking. Heads of Government also affirmed the principle of solidarity and burden-sharing with regard to assistance of refugees and their host communities.

32. Heads of Government urged member states to comply with all obligations arising under international law and to consider becoming party to the UN Convention against Transnational Organised Crime and the Protocols thereto, in particular the 2000 Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children. Heads of Government also expressed concern about the difficulties faced by millions of refugees in protracted situations and their particular vulnerability to situations of human trafficking, and emphasised the need to redouble international efforts and co-operation to find practical and comprehensive approaches to resolving their plight and to realise durable solutions for them.

Terrorism

33. Heads of Government reaffirmed their strong condemnation of terrorist acts in all their forms and manifestations and recognised that terrorism continues to present a serious challenge to international peace and security. They emphasised that targeting and deliberate killing of civilians through acts of terrorism cannot be justified or legitimised by any cause or grievance. Heads of Government stressed the continuing need for comprehensive efforts at local, national, regional and international levels, to counter terrorism, which also take into account the conditions conducive to the spread of terrorism. In this context they commended the various initiatives to promote dialogue, respect and understanding among civilisations. Heads of Government highlighted the need to conclude a Comprehensive Convention on International Terrorism during the Sixty-Second Session of the UN General Assembly.
34. Heads of Government recalled the Commonwealth Plan of Action on Terrorism (CPAT) adopted in Abuja in 2003 following the meeting of the Commonwealth Committee on Terrorism (CCT). In this context, Heads of Government welcomed the offer made by Sri Lanka to host a ministerial meeting next year of all member states on the issue.

35. Heads of Government reiterated their call for all states to accede to and implement the UN Counter Terrorism Conventions and Protocols and relevant Security Council Resolutions, to prevent the use of their territories for the support, incitement or commission of terrorist acts. They emphasised in particular, the need to implement the necessary legal framework for the suppression of terrorist financing. They commended the capacity-building work of the Secretariat in collaboration with the United Nations Office on Drugs and Crime (UNODC), the Counter Terrorism Committee of the Security Council and other relevant UN bodies, in assisting member countries and regional bodies to implement their international obligations.
36. Heads of Government highlighted the need to protect the rights of victims of terrorism while emphasising that any measures taken to counter terrorism must comply with their obligations under international law, in particular international human rights law, refugee law and humanitarian law. They reaffirmed that the promotion and protection of human rights for all and the rule of law should be an integral part of the approach to countering terrorism.

Human Rights

37. Heads of Government expressed their appreciation for the Secretariat's work in advancing human rights in the Commonwealth and for its support to the work of national and regional mechanisms in protecting and promoting human rights. In this context they confirmed their commitment to support further the various initiatives undertaken by the Secretariat in raising awareness and respect for human rights in member countries and assisting them to meet their human rights obligations. They recognised the facilitating role that the Secretariat could play in strengthening dialogue on and raising awareness of human rights in member countries, and through the UN Human Rights Council.
38. Heads of Government recalled that 2007 marked the 200th anniversary of the abolition of the transatlantic slave trade and commended activities undertaken in observance of the bicentenary. They also noted that 2008 will mark the 60th anniversary of the adoption of the Universal Declaration of Human Rights. They reaffirmed their commitment to promote respect for and protection of fundamental human rights and freedoms in the Commonwealth without distinction of any kind. They urged all countries to consider acceding to all the major international

human rights instruments, especially the twin 1966 Covenants (International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) which, along with the Universal Declaration of Human Rights, form the International Bill of Human Rights. They also called for the implementation of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

39. Heads of Government welcomed the adoption by the UN General Assembly of the UN Convention on the Rights of Persons with Disabilities on 13 December 2006 and encouraged all Commonwealth countries to consider ratifying and implementing the Convention without undue delay.
40. Heads of Government agreed that the Commonwealth should increase its efforts to promote respect for human rights through public awareness and training for police, the judiciary, prison officers and security forces across the Commonwealth.

International Criminal Court and Tribunals

41. Heads of Government stressed the importance of ending impunity for the perpetrators of genocide, crimes against humanity and war crimes, and took positive note in that context of the work of the international criminal tribunals. Heads of Government called on states to consider further contributions to the valuable work of the Special Court for Sierra Leone. Heads of Government of those member countries that have ratified the Rome Statute of the International Criminal Court emphasised their support for the Court and urged those states that have not yet done so to accede to the Rome Statute at the earliest opportunity.

Digital Divide

42. Heads of Government expressed their appreciation for the work of the Steering Committee of the Commonwealth Action Programme for the Digital Divide (Commonwealth Connects) and endorsed the recommendations in the Committee's 2007 Report to the Secretary-General. They also welcomed the Secretariat's work in assisting member countries to address the persisting digital divide and the challenges of using information and communication technology (ICT) for national development. They commended India, Malta, Mozambique,

and Trinidad and Tobago for their support to the Programme, and urged member countries to promote and support continuing initiatives for sharing the ICT knowledge and experience of the Commonwealth, including through transfer of technology. They expressed appreciation for the successful convening of the International e-Partnership Summit in New Delhi in March 2007, co-ordinated for Commonwealth Connects by the Commonwealth Business Council (CBC), and the launch of the 'Hole in the Wall' Pilot Project in Kampala in November 2007. Heads of Government noted the need to ensure that the Commonwealth Connects programme is closely co-ordinated with other efforts in this field by organisations such as UNESCO, UNDP, ITU as well as region-specific donors so as to enhance effectiveness.

43. Heads of Government commended the work of the Commonwealth Telecommunications Organisation (CTO) and its contribution to assisting member countries to bridge the digital divide. They also commended the CTO's Programme for Development and Training around the Commonwealth.

Commonwealth Fund for Technical Co-operation (CFTC)

44. Heads of Government noted that capacity-building is a fundamental component of sustainable development and aid effectiveness, and a key element in achieving the Millennium Development Goals (MDGs) especially for small states and Least Developed Countries (LDCs). They commended the CFTC for recognising the critical importance of country ownership and leadership in its programmes, and noted the importance of aligning CFTC programming with national plans.
45. Heads of Government welcomed the augmentation by many member governments of their respective CFTC contributions by 6 per cent per annum in real terms, for each of the five years following the Malta CHOGM. They urged other member countries to do likewise. They also welcomed the continued efforts by individual member countries to extend technical assistance to others, including South-South co-operation, within and outside the framework of the CFTC.

Trade

46. Heads of Government reiterated their commitment to an urgent and successful conclusion to the Doha Development Agenda (DDA)

negotiations. The negotiations remain at a critical stage and are vital for the global economy and development, including the attainment of the MDGs. Heads expressed their commitment to constructive and meaningful engagement and called on all World Trade Organisation (WTO) members to demonstrate goodwill and flexibility.

47. Heads of Government recognised the fundamental contribution of international trade to global prosperity, sustainable development and to the elimination of poverty. They acknowledged the core role of the WTO and emphasised the need to give priority to fuller participation of all Commonwealth members in multilateral trade as well as the critical importance of all countries obtaining a fair and equitable share of the gains of trade. Heads reaffirmed their commitment to:
 - the fundamental principles and rules of the multilateral trading system;
 - the well sequenced and appropriately paced liberalisation of international trade;
 - the goals of development and equity through greater responsiveness of the international trading system to the concerns and interests of developing countries;
 - the strengthening of coherence between development and trade policies for the enhancement of market access, trade and technological transfer; and
 - the fuller integration in the global trading regime of low income states, particularly LDCs and small vulnerable economies taking into account their specific development challenges, including those resulting from the erosion of their long-standing trade preferences for which both trade and non-trade solutions are needed at the multilateral level.
48. Heads of Government noted that a strongly development-oriented outcome would involve: elimination of export subsidies and substantial reduction in domestic support; reduction, where appropriate, in tariffs and other trade-distorting measures; provision of Special and Differential Treatment for developing countries, especially LDCs; and strengthening of supply-side capacity and trade-related infrastructure through Aid for Trade and other mechanisms.

They recognised that in developing countries, agriculture is closely intertwined with food security, livelihoods and development and that the Non-Agricultural Market Access (NAMA) negotiations should provide sufficient flexibility for the developing countries to implement their development strategies whilst the Services negotiations should open up areas of interest to developing countries.

49. Heads called upon developed countries that have not already done so and developing countries in a position to do so to implement their 2005 WTO Hong Kong Ministerial commitments on providing predictable duty free and quota free market access on a lasting basis on products from LDCs.
50. Heads of Government encouraged Commonwealth members, in a position to do so, to extend Aid for Trade support to Commonwealth developing countries and called for the honouring of commitments by development partners, made at G8 Summits and elsewhere, and for an increase in support for Aid for Trade initiatives, such as the Enhanced Integrated Framework.
51. Heads of Government acknowledged the contribution that regional trading arrangements can make to the gradual and beneficial integration of developing countries into the multilateral trading system. They called upon the European Union and the African, Caribbean and Pacific Group of States (ACP) to put in place Economic Partnership Agreements (EPAs) that constitute effective tools for poverty eradication and sustainable development and contribute to the achievement of the MDGs. They urged that EPAs take due account of capacity constraints, the need for adequate accompanying measures to be provided on a predictable basis to meet, inter alia, adjustment costs and other potential vulnerabilities and the safeguarding of policy flexibility. They considered the European Commission's (EC) unilateral denunciation of the Sugar Protocol as very regrettable and urged that the new trading arrangements enhance and improve effective market access to deliver long-term economic benefits to ACP sugar exporters. Heads of Government called for improved delivery of transitional assistance to make the necessary adjustments.

World Economic Situation

52. Heads of Government welcomed the continued global expansion of output and the improved growth performance of some developing

countries in recent years. However, they noted that a significant number of developing countries, including many small states, have not been part of this trend and called for measures to address the special vulnerabilities of these economies. They also noted the risk factors that could affect future growth performance: the sub-prime crisis and the resulting reduction in available credit; high and increasing oil prices; the prospect of increasing food prices; global macroeconomic imbalances; lack of progress in multilateral trade negotiations and increasing protectionism; and demographic changes in developed countries. They also highlighted the complex relationship between environmental factors and economic growth. Heads called for individual and collective efforts to address these risk factors.

53. Heads of Government acknowledged the need to strengthen the voice and participation of developing countries in international economic decision-making and norm-setting and, in this regard, stressed the importance of continuing efforts to reform the international financial architecture, including the Bretton Woods institutions.

Reform of International Institutions

54. Heads of Government expressed concern that the current architecture of international institutions, which was largely designed in the immediate aftermath of the Second World War, does not reflect the challenges in the world of the 21st century. This undermines the legitimacy, effectiveness and credibility of the whole international system. Heads requested the Secretary-General to establish a small representative group of their number that would build on the considerable work that has already been done to undertake advocacy and lobbying in support of wide-ranging reforms. In doing so, the group would take particular cognisance of the special needs of LDCs and small states. This group would report back to the next Heads of Government Meeting in Trinidad and Tobago in 2009.

Debt Relief

55. Heads of Government welcomed the progress made in implementing debt relief under both the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI). They, however, expressed concern that many countries are still faced with large and unsustainable debt burdens. They stressed the need for

donors to honour their commitments to compensate the International Financial Institutions (IFIs) for their share of MDRI relief on an ongoing basis so that their financial capacity is protected and their ability to assist low-income countries is not impaired. They also reiterated the need to sufficiently address the debt problems of middle-income countries taking into account their debt sustainability and financial gaps.

Investment

56. Heads of Government noted the valuable role of productive investment in contributing to economic growth and the eradication of poverty. They recognised that improvements in the business environment and overall regulatory framework which reduce investor costs are crucial to promoting private investment. They also called for an increased focus on developing domestic financial markets and providing opportunities for domestic investors. Heads of Government encouraged the use of home country incentives to promote investment in LDCs, small states and other developing countries. Heads recognised that improving access to financial services for the poor and vulnerable is an essential element in the fight against poverty and called for continued efforts to integrate them into the formal financial system. They recognised in this regard the importance of micro-finance and micro-credit in providing access to capital and inclusive financial services for people living in poverty. They also called for innovative and market friendly interventions that mobilise official development assistance (ODA) to share investment risks.

Strengthening Financial Systems

57. Heads of Government commended the Commonwealth Secretariat for its continued role in facilitating the dialogue between the Organisation for Economic Co-operation and Development (OECD) and Commonwealth countries on the issue of a global level playing field and transparency and information exchange in tax matters, and called for constructive engagement on the outstanding issues.

Climate Change

58. Heads of Government adopted the Lake Victoria Commonwealth Climate Change Action Plan.

Challenges Facing Small States

59. Heads of Government reaffirmed the enduring and new challenges facing small states as set out in the 2005 Gozo Statement on Vulnerable Small States. They expressed concern at the recent increase in frequency and intensity of natural disasters and their often devastating social, economic and environmental impact, particularly on small island developing states. Heads of Government encouraged small states to continue to implement outward-oriented development strategies that would assist them to overcome their vulnerabilities. Heads welcomed the recent advocacy work of the Secretariat on behalf of small states in the area of debt, youth unemployment, improving the quality of international assistance, building resilience mechanisms to offset economic vulnerabilities, and diversification into new economic activities. Heads of Government further welcomed the newly formed Small States Network for Economic Development, set up under the auspices of the Government of Malta and the World Bank, and expressed the hope that the Network would be an effective tool in fostering sustainable economic development in small states. Heads agreed that the Secretariat should explore the possibility of establishing a Commonwealth Small States Office in Geneva, modelled on the Office in New York.
60. Heads of Government stressed the need for small states to build their economic resilience by making appropriate interventions in four areas: macroeconomic strategy; microeconomic market efficiency; good governance; and social cohesion. They recognised that an important element in development strategies for small states is the operation of the labour market. They urged small states to implement measures on both the demand and supply sides of the labour market to address youth unemployment and the migration of the highly skilled. Heads urged the international community to provide all possible support to assist small states in the pursuit of their development strategies, and in particular, small island developing states in line with their commitments under the Barbados Programme of Action for the Sustainable Development of Small Island Developing States and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States.

Education

61. Heads of Government reaffirmed the fundamental role played by education in facilitating social and economic transformation. They commended the efforts made by Commonwealth countries in seeking to achieve the MDGs of universal primary education (UPE) and the elimination of inequity in education, particularly gender inequity. They affirmed the need to prioritise support to member countries at risk of not achieving the education MDGs. Heads supported the invitation of Education Ministers to increase public spending on education at all levels to facilitate achievement of the MDGs and develop effective school curricula to complement the implementation of UPE.
62. Heads committed to redoubling their efforts to deliver education for all, with a particular focus on enrolling the 30 million primary school aged children out of school across the Commonwealth; eliminating gender disparity in primary and secondary education; and strengthening education systems in countries affected by conflict. Donor countries committed to significantly increase aid for education – including through the Education for All Fast Track Initiative (FTI), which provides a framework for supporting education planning and donor harmonisation in developing countries. They noted that several Commonwealth countries were already working on credible long-term education plans, some of them already endorsed by FTI. They aimed to have at least 20 such plans prepared by the end of 2008.
63. Heads also undertook to place a renewed emphasis on education quality at all levels, and the measurement and improvement of learning. They undertook to examine how to make demonstrable progress on vital literacy and numeracy outcomes for primary aged children.
64. Heads committed to increase the flow between countries of training, IT resources, knowledge exchange, innovation and partnerships, including programming for youth and adults, and to further supporting Commonwealth institutions adding value in these fields. Heads welcomed the expansion of the Commonwealth Scholarship and Fellowship Plan (CSFP) and the commitment by Education Ministers to expand further the number of awards available in the lead up to the 50th anniversary of the Plan in 2009. They noted the proposal for a new facility to encourage scholarships to be hosted in a greater range of Commonwealth countries.

65. Heads undertook to work to harness the expertise of the private sector and non-governmental and civil society organisations to complement state provision, particularly in training and skills development as key drivers of growth and development.
66. Heads welcomed the offer by the Government of Malaysia to host the 17th Conference of Commonwealth Education Ministers in Kuala Lumpur in June 2009, and agreed to explore the strengthening of online tertiary education and access for youth to such education, for consideration at that meeting.

Health and HIV/AIDS

67. Heads of Government reaffirmed their commitment to the attainment of the health related MDGs, especially improving maternal and child health; and combating HIV/AIDS, malaria, tuberculosis and other diseases. They acknowledged the need to invest in services and prevention tools, including vaccines and microbicides, to contribute towards the goal of universal access to HIV/AIDS prevention, treatment, care and support by 2010. They urged implementation of the political declaration on HIV/AIDS adopted at the 2006 UN General Assembly High Level Meeting on HIV/AIDS.
68. They recognised that the crisis in human resources available to the health sector is a major challenge to achieving the MDGs; acknowledged the role of the Commonwealth Code of Practice for the International Recruitment of Health Workers; supported the health systems strengthening approach of the International Health Partnership; and urged the Secretariat to continue supporting primary health care systems.
69. They noted the rising burden of chronic diseases on health systems and welcomed the Action Plan on Non-Communicable Diseases adopted by the Caribbean Community (CARICOM) in their 2007 Port of Spain Declaration. They also acknowledged the need for accessible, affordable appropriate medicines and action to combat counterfeit drugs.

Gender

70. Heads of Government reaffirmed that gender equality and women's empowerment, including greater progress in their economic empowerment, are fundamental for the advancement of human rights

and the achievement of MDGs, development, democracy and peace. They welcomed the priority given by Women's Affairs Ministers, at their 8th Meeting in Kampala in June 2007, to financing gender equality, and endorsed their call for implementation of international, regional and national commitments to achieve gender equality and women's empowerment. Heads of Government also endorsed their call for the effective monitoring and tracking of resources for gender equality and women's empowerment through gender responsive budgeting and other gender analysis tools, and through strengthening aid effectiveness to improve accountability and the impact on gender equality. They also supported the call made by Finance Ministers in Guyana in October 2007, to specifically incorporate a focus on gender equality in the aid effectiveness agenda during the Third High Level Forum on Aid Effectiveness in September 2008.

71. Heads of Government stressed the need to allocate adequate resources to: strengthen national women's machineries, public sector and civil society organisations; increase access for women to markets, property rights, credit and productive resources; and to improve women's participation, leadership and representation in decision-making at all levels including in peace, conflict resolution and post-conflict reconstruction processes. Heads of Government condemned the continuing high levels of violations of the rights of women and girls in conflict and post-conflict situations. In this context, they also called for the full and consistent implementation by all states of UN Security Council Resolution 1325 (2000) on women, peace and security. They welcomed the agreement at the 8th Women's Affairs Ministers Meeting to establish a Commonwealth Working Group on Gender, Peace and Security. In particular, Heads requested the Secretariat to continue assisting member countries to implement the Commonwealth Plan of Action for Gender Equality 2005-2015.

Youth

72. Heads of Government reaffirmed their strong commitment to the young people of the Commonwealth and their priorities and needs. They stressed the important role that young people can continue to play in strengthening and supporting the Commonwealth's fundamental values, and called in particular for further efforts to include young people in democratic institutions, such as bodies of elected representatives, and in democratic processes, such as election observation. Heads

also noted the contribution of young people to Commonwealth efforts to achieve the MDGs, and requested that options be explored for drawing Commonwealth young people in practical ways into efforts to support the recommendations of the Civil Paths to Peace report as well as the work of the Alliance of Civilisations.

73. Heads endorsed the Plan of Action for Youth Empowerment (PAYE) adopted by the 6th Youth Ministers Meeting, and took note with appreciation of the Communiqué of the 6th Commonwealth Youth Forum held in Entebbe in November 2007. Heads noted the importance of developing national youth policies and also of including young people in all possible aspects of national planning and budgeting.
74. Heads reaffirmed their commitment to the Commonwealth Youth Programme (CYP) as a longstanding and unique instrument for promoting youth empowerment and development. They endorsed efforts to strengthen the CYP's four Regional Centres to become centres of excellence, and in this regard, they appreciated India's support to develop the CYP Asia Centre as a focal point for co-operation and learning in the field of youth and local governance.
75. Heads noted with concern the severe shortfall in funding for the CYP which is seriously constraining its capacity to deliver its current mandates or fresh initiatives in support of Commonwealth youth priorities and needs. They therefore agreed that countries should not only live up to their financial commitments to the budget to the CYP, but that a new assessed contributions formula be developed for the CYP, while also allowing for additional voluntary contributions. The new financial arrangements should take effect from 2008/09.

Commonwealth Functional Co-operation

76. Heads of Government took note of the various aspects of Commonwealth Functional Co-operation presented to the Committee of the Whole (COW). They requested the Secretary-General to bring to the notice of Heads of Government any proposed mandates arising from ministerial meetings that have significant implications for the Secretariat's work programme and resources. Heads of Government also acknowledged in particular the contribution of the Commonwealth intergovernmental agencies and Commonwealth organisations which reported to the COW and to Foreign Ministers.

Civil Society

77. Heads of Government welcomed progress involving civil society in all aspects of the Commonwealth's work. They noted that a number of ministerial meetings now included provision for dialogue with civil society and called for this to be extended where possible.
78. They took note of the outcome of the Commonwealth People's Forum and agreed with civil society that political, economic and human transformation should recognise and respect the right to freedom of association and assembly, as well as freedom of expression and the media, and access to information, and requires the active participation of all social groups in making decisions that shape their destiny in accordance with international and domestic law. They noted civil society concerns that poverty, climate change, HIV and AIDS and rapid urbanisation as well as risk of failure to meet the MDGs by 2015, pose serious threats to transformation.
79. Heads acknowledged that the Commonwealth's vision of development and democracy cannot be achieved without realising people's full potential, requiring significant investments in good governance, social capital, including gender equality and empowerment, youth opportunity and decent work, along with support for innovation in ICTs, science and technology. Heads urged civil society to support partnerships and linking for progress in health systems, education for all and sustaining the environmental resource base. They also recognised the role of civil society in achieving Commonwealth objectives, including democracy, good governance, development and respect for cultural diversity.

Commonwealth Foundation

80. Heads of Government received the report of the Commonwealth Foundation and commended its work on culture, governance and democracy and sustainable development. They recognised the work of the Foundation in providing leadership on the Commonwealth's engagement with civil society at ministerial meetings and through regular consultations. They welcomed Antigua and Barbuda and South Africa into the membership of the Foundation.
81. They noted the challenges identified by the Foundation in building partnerships for transformation between government and civil society,

including the need for regulatory environments at the national level that encourage and enable the participation of all stakeholders in processes of democracy and development as well as improved opportunity and capacity of non-State actors to demonstrate their accountability.

82. Heads expressed support for the Foundation in strengthening the 'People's Commonwealth' through programmes and grants and facilitating dialogue between governments and civil society. They also encouraged the Foundation to continue to increase the impact of its work through its partnerships and networks and by increasing membership and voluntary contributions.

Commonwealth of Learning (COL)

83. Heads of Government expressed satisfaction with the achievements of COL in the 20 years since its creation by the 1987 Vancouver CHOGM. They commended COL's focus on the development agenda in its 2006-2009 Plan, Learning for Development, and progress in implementing the Virtual University for Small States of the Commonwealth, in which 29 countries are participating. Heads of Government requested COL to support member countries in enhancing access to quality higher education, encouraging member governments to enhance their contributions, as appropriate, to the budget of COL to enable it to carry out these programmes.

Commonwealth Business Council (CBC)

84. Heads of Government commended the CBC's work to increase trade and investment in partnership with governments and the private sector over the past ten years, since its establishment by Heads of Government in 1997. They welcomed the contribution of the CBC to the growth of Commonwealth trade and investment in that period through a number of initiatives. They also welcomed the dialogue with the private sector through the Commonwealth Business Forum and requested the CBC to carry forward its work in collaboration with governments.

Commonwealth Partnership for Technology Management (CPTM)

85. Heads of Government took note of the activities of the CPTM in co-operative networking and its partnership activities in facilitating application of technology management for development.

Commonwealth Institute/Commonwealth Education Trust

86. Heads of Government noted with satisfaction that the capital released from the Commonwealth Institute property had been secured in a successor charitable trust fund, the Commonwealth Education Trust (CET), the income from which will be used to advance education in the Commonwealth. They stressed the importance of maintaining the liaison, facilitated through the Secretariat, between the education-oriented Commonwealth bodies including the COL, the Commonwealth Foundation and the CET.

Commonwealth Membership

87. Heads of Government reviewed the recommendations of the Committee on Commonwealth Membership and agreed on the following core criteria for Membership:
- (a) an applicant country should, as a general rule, have had a historic constitutional association with an existing Commonwealth member, save in exceptional circumstances;
 - (b) in exceptional circumstances, applications should be considered on a case-by-case basis;
 - (c) an applicant country should accept and comply with Commonwealth fundamental values, principles, and priorities as set out in the 1971 Declaration of Commonwealth Principles and contained in other subsequent Declarations;
 - (d) an applicant country must demonstrate commitment to: democracy and democratic processes, including free and fair elections and representative legislatures; the rule of law and independence of the judiciary; good governance, including a well-trained public service and transparent public accounts; and protection of human rights, freedom of expression, and equality of opportunity;
 - (e) an applicant country should accept Commonwealth norms and conventions, such as the use of the English language as the medium of inter-Commonwealth relations, and acknowledge Queen Elizabeth II as the Head of the Commonwealth; and
 - (f) new members should be encouraged to join the Commonwealth Foundation, and to promote vigorous civil society and business

organisations within their countries, and to foster participatory democracy through regular civil society consultations.

88. Heads of Government also agreed that, where an existing member changes its formal constitutional status, it should not have to reapply for Commonwealth membership provided that it continues to meet all the criteria for membership.
89. Heads endorsed the other recommendations of the Committee, including a four-step process for considering applications for membership; new members being required to augment the existing budget of the Secretariat; and countries in accumulated arrears being renamed 'Members in Arrears'. They also agreed with the Committee's recommendations on Overseas Territories, Special Guests and strategic partnerships.

Submissions to CHOGM

90. Heads of Government noted the submissions of the COL, Commonwealth Foundation, CBC and civil society representatives, which reported to Foreign Ministers. They also received submissions from the Commonwealth Youth Forum, People's Forum and Business Forum and other Commonwealth civil society organisations which met in Uganda on the eve of CHOGM. Heads of Government noted that some of the issues raised in these submissions had been covered in their Communiqué. They requested the Secretary-General to take their recommendations into account, where possible, while implementing CHOGM mandates. Commonwealth Secretariat Governance
91. Heads confirmed that the terms and conditions of service of the Secretary-General should be in accordance with the recommendations made to them in 2005 and 2007. Heads decided that a troika of leaders – being the past, present, and future Chairs-in-Office – should continue to review the terms and conditions of service of the Secretary-General every four years at least.
92. Heads of Government recalled that, at their Meeting in Coolum in 2002, they had adopted the report of the Commonwealth High Level Review Group which included a direction to the Secretary-General to streamline and simplify the Commonwealth Secretariat's structure, along the lines proposed in the Draper and Change Management Reports of 2001 and 2000 respectively. They also recalled that

flexibility in recruitment and staffing was seen as an important element of such changes, including a mix of contract arrangements for staff, as well as providing the Secretary-General with the managerial authority to make staffing decisions as he/she determines the work and service delivery priorities of the Secretariat. Heads reaffirmed the importance they attached to these earlier decisions in order to achieve greater cost-effectiveness and a more productive synergy between programmes in the Secretariat.

93. Heads acknowledged that the scale of assessments for the Commonwealth Secretariat budget had not been revised since 1989, and agreed that regular reviews and adjustments to the scale should occur in future on a five yearly basis. They agreed that the scale should continue to be based on the principles of capacity to pay, equitable burden sharing, and shared ownership and responsibility for the Secretariat. Heads decided to have a revised scale implemented with effect from the 2008/09 financial year, and with the changes phased in over a three-year period.

Commonwealth Secretary-General

94. Heads of Government unanimously selected HE Mr Kamalesh Sharma to succeed Rt Hon Don McKinnon as Commonwealth Secretary-General, for a four-year term beginning on 1 April 2008. They paid warm tribute and deep appreciation to Rt Hon Don McKinnon for his dedicated and exceptional service to the Commonwealth over the eight years of his tenure in office. They believed that his contribution to the strengthening of the Commonwealth and its fundamental values would be long remembered.

Next Meeting

95. Heads of Government reaffirmed their decision to meet in Trinidad and Tobago in 2009 at the invitation of the Government of that country.
96. They also took note of the offer from the President of Sri Lanka for the 2011 CHOGM to be held in that country.

25 November 2007



EUROPEAN UNION

142. Briefing by Secretary (West) Nalin Surie of the Ministry of External Affairs on President's visit to Strasbourg and Greece.

New Delhi, April 23, 2007.

Official Spokesperson: Welcome to this briefing by Secretary (West) on the President's visit, which begins tomorrow, to Strasbourg and Greece. After Secretary has made his opening remarks, if there are any questions he will take those.

Secretary (West): Thank you Navtej. Thank you all for coming this afternoon. Rashtrapatiji will be visiting Strasbourg to address the European Parliament on 25 April 2005 and will thereafter pay a State visit to Greece from 25-28, April 2007. Rashtrapatiji's visit to Strasbourg is taking place in response to an invitation he received from the former President of the European Parliament Mr. Josep Borrell Fontelles last autumn. The current President is Mr. Hans-Gert Poettering, a senior German politician.

This will be the first ever address by an Indian President to the European Parliament. Its significance lies in the fact that the Head of State of the largest democracy in the world will address the largest union of democratic States in the world. The European Union together comprises almost half a billion people and through the medium of the European parliament our President's views and thoughts would reach out to the entire European populace. Rashtrapatiji will speak on "Dynamics of Unity of Nations". You would all recall that the European Union today, which comprises 27 nation States is increasingly becoming multi-cultural, multi-linguistic, multi-ethnic and multi religious. Not unlike India.

Prior to the address to the European Parliament and soon after arrival in Strasbourg tomorrow, Rashtrapatiji will address the International Space University in Strasbourg. He will speak on "Creative leadership for future challenges in space".

The State visit to Greece comes after a gap of 21 years and will help consolidate the recent development of India's relations with Greece in a cross sectoral manner. Our two countries are linked by ancient bonds of civilization and history. Our bilateral relations have traditionally been warm

and friendly. Greece has been supportive of India's interests on a variety of regional and international issues. It is an important member of the European Union with which India has a strategic partnership. Both countries are seeking to add greater content to this age old and traditional relationship. Trade and cultural exchanges are growing well. During the visit, we expect to sign three important Agreements viz., on Bilateral Investment Promotion and Protection, Science and Technology and between the Foreign Service Institutes of our two countries.

Rashtrapatiji will be accorded full State honours and will meet with his counterpart Dr. Karolos Papoulias. He will also meet with the Prime Minister of Greece and the President of the Parliament.

The latter will award him a Gold Medal of the Hellenic Parliament. The Mayor of the city of Athens Nikitas Kaklamanlis will honour him with the Gold Medal of Merit of the city of Athens.

Rashtrapatiji will also meet with other distinguished personalities including the leader of the Opposition Mr. George Andreas Papandreou, who is also currently the President of the Socialist International. He had earlier this year attended the Satyagraha Conference.

The President will make two important public speeches in Greece. The first at the prestigious think tank the Hellenic Foundation for European and Foreign Policy [ELIAMEP]. He will speak on the "Dynamics of peace and prosperity". He will also address the National Council for Scientific Research where he will speak on "Convergence of Technologies". Rashtrapatiji will visit the Commonwealth War Cemetery and pay tribute to the Indian servicemen who lost their lives during the Second World War. A particularly poignant moment during the visit will be his visit to the Rehabilitation Centre for Children with Cerebral Palsy (KASP).

The State visit will help add substance to our growing relations with Greece. Thank you.

Question: What is Greece's stand on India's candidature for UN Security Council membership?

Secretary (West): Greece supports India's membership on an expanded UN Security Council.

Thank you.



143. Address by President A. P. J. Abdul Kalam at the luncheon hosted by the President of the European Parliament.

Strasbourg, April 25, 2007.

Your Excellency, President of the European Parliament, Mr. Hans Gert Pottering,

President of European Commission, Mr. Jose Manuel Borroso,

Minister Dr. Frank-Walter Steinmeir,

Commissioner for External Relations, Ms. Benita Ferrero Waldner

Chairman of the Foreign Affairs Committee, Mr. Jacek Sarayusz-Wolski,

President of the Delegation for Relations with India, Ms. Neena Gill,

Hon'ble Members of the European Parliament,

Ladies and Gentlemen,

I am delighted and honoured to have been invited by the President of the European Parliament and to be present among such a distinguished gathering. I would like to thank Mr. Pottering for his hospitality. This is my first visit to the European Parliament and indeed the first ever visit by a President of India to the European Parliament and is a reflection of the ever-intensifying partnership between India and the European Union.

The European Union has become an example for connectivity among nations, probably with no possibility of war, leading to lasting regional peace and eventually a lasting global peace. India, the world's largest democracy and home to a multi-ethnic, multi-religious, multi-lingual population of over one billion, prides itself on its steadfast commitment to rule of law, human rights and fundamental freedoms.

India and the European Union radiate a clear message to the world that regional cooperation and inter-regional cooperation will lead to a win-win situation for all. Both India and EU must realize that past meets the present and creates the future. The environment I witnessed during my address the EU Parliament is a beautiful environment. In the midst of beautiful environment definitely creativity will blossom and creativity in turn will lead

to generation of various forms of technology and leadership qualities to humanity. On behalf of India and its billion people, my greetings and best wishes to five hundred million people of EU.

Ladies & Gentlemen, may I request to you to join me in raising a toast

- to the health and well being of His Excellency Mr. Hans Gert Pottering, President of the European Parliament
- to the continued prosperity of the friendly people of the European Union
- to the continued success of the European Union and the European Parliament
- to the growing friendship, cooperation and strategic partnership between India and the EU.

May God bless you.



144. Address by President A.P.J. Abdul Kalam to the European Parliament.

Strasbourg, April 25, 2007.

Dynamics of Unity of Nations

***"Confluence of civilizations
is definitely possible"***

Good morning, Ladies and Gentlemen.

I am delighted to be with the Honourable Members of European Parliament on the occasion of the Golden Jubilee year of the European Union. When I am with you friends, I was thinking, what thoughts I can share with you. India as a democratic nation has the experience of providing leadership to over one billion people with multi-language, multi-culture and multi-religious systems. I wish to share this experience with you.

European Union for peace and prosperity

European civilization has a unique place in human history. Its people were valiantly engaged in the adventure of exploring the planet earth resulting in the discovery of many ideas and systems. Europe has seen the birth of pioneers in science leading to technologies. Europe was the theatre of conflicts for hundreds of years among and between the nations including the two world wars. Now with this backdrop and dynamics, you have established European Union with a vision for peace and prosperity for the entire region. European Union has become an example for connectivity among nations, probably with no possibility of war, leading to lasting regional peace.

Inter-connectedness

Before I started out on my journey to Europe, I was thinking, why are Europe and India unique and natural partners? Do we share a common history and heritage, possibly in future, a common destiny? What I found was astonishing: the depth and vitality of our inter-connectedness, by language, by culture, by ancient beliefs, ideologies and the movement of people have stood the test of time. This has matured into a very strong bond through a sustained trade and intellectually satisfying collaboration in many areas of science and technology. For example on 23rd APR 2007, the Italian scientific satellite AGILE was launched by Indian Polar Satellite Launch Vehicle (PSLV-C8) into a very precise orbit. Scientist from India and Europe are excited and let us congratulate them.

Unity in Diversity

India is a country, which has over the years learnt to evolve and maintain a unique unity amongst diversity. Similarly, the greatest contribution of European Union is that, you have demonstrated to the world, that it is possible to build a strong union of nations without compromising national identities. It has become an inspirational model and an example to emulate for every region in the world. The European Union and India support a social form of economic development and encourage a model of growth with equity. Both are conscious of the need for growth to respect the environment and make it sustainable for future generations. With this valuable experience of centuries behind India and European Union, we can bring together a doctrine of global cooperation built over the foundation of regional collaborations and core competencies of nations.

With this background, I have brought from India, a message, a message to start three important Indo-European missions, which can contribute to global peace and prosperity. These missions, I am putting forth based on India's experience and the dynamics of European Union.

1. **Evolution of enlightened society** - for evolving a citizen with value system and leading to prosperous and peaceful world.
2. **Leading to Energy Independence** - A three dimensional approach for energy choice towards realizing clean planet earth.
3. **World Knowledge Platform** - for synergizing the core competence of European Union and India in certain areas for providing solutions to critical issues like water, healthcare and capacity building.

Towards a cohesive society

When nations join together to build a cohesive society, it is necessary to ensure that benefits of development encompass all sections of the society. World over, poverty, illiteracy, un-employment and deprivation are driving forward the forces of anger and violence. These forces link themselves to some earlier real or perceived historical enmities, tyrannies injustice, inequities, ethnic issues and religious fundamentalism flowing into an outburst of extremism worldwide. Both India and European Union have witnessed and are witnessing the unsavory acts of certain misguided sections of society. We have to jointly address ourselves to the root causes of such phenomena for finding lasting solutions for promoting peace.

Righteousness is the beginning

What we need is a carrier of eternal goodness and wholesomeness in human conduct, which is "Righteousness".

As we say in India:

Righteousness

Where there is righteousness in the heart

There is beauty in the character.

When there is beauty in the character,

There is harmony in the home.

When there is harmony in the home.

There is an order in the nation.

When there is order in the nation,

There is peace in the world.

This is true, for the whole world. When we need peace in the world, we need order in the nation; we need harmony in the home, whether in Europe or in India or in any part of the world, the origin is righteousness in the heart. How do we evolve righteousness, in the hearts of every citizen of the world?

I. Evolution of Enlightened Society

With this spirit of righteousness in the heart, dear Honorable Members, I would like to put forth to this important gathering, a methodology for evolving a happy, prosperous and peaceful society in our planet, which I call as "Evolution of Enlightened society". I have shared these thoughts with many intellectuals in national and international spheres. How do we create such an enlightened society, which will have three components (a) Education with value system (b) Religion transforming into spirituality and (c) Economic development for societal transformation. Let us discuss.

a. Education with value system

We have seen that the seeds of peace in the world have their origin in the righteousness in the heart of every individual. Such righteous citizens lead to the evolution of enlightened society. Education with value system has to be so designed that the righteousness in the heart is developed in young minds. That should be the mission of education. The prime learning environment is five to seventeen years of age. This reminds me of an ancient Greek teacher's saying, "Give me a child for seven years; afterwards, let God or devil take the child. They cannot change the child". This indicates the power of great teachers and what they can inculcate in the young minds. Parents and teachers must inculcate moral leadership amongst children. It requires the ability to have insights into the uniqueness and universality of human consciousness. True education is the acquisition of enlightened feelings and enlightened powers to understand daily events and to understand the permanent truth linking man, to his environment, human and planetary.

While I was in college, I remember the lectures given by the highest authority of a Jesuit institution Rev Father Rector Kalathil of St. Joshep's college, Tiruchirappalli, Southern India. Every week on Monday, he will take a class

for an hour. He used to talk about good human beings present and past and what makes a good human being. In this class he used to give lectures on personalities such as Buddha, Confucius, St. Augustine, Califa Omar, Mahatma Gandhi, Einstein, Abraham Lincoln and moral stories linked to our civilizational heritage. In the moral science class, Father Kalathil used to highlight the best aspect of, how the great personalities have been evolved as good human beings through parental care, teaching and companionship of great books. Even though these lessons were given to me in 1950's during my college days, they inspire me even today. It is essential that in the schools and colleges, lectures are given by great teachers of the institution once in a week for one hour on civilizational heritage and derived value system. This may be called as Moral Science Class that will elevate the young minds to love the country, to love the other human beings and elevate them to higher planes. I have suggested this methodology to educationists in my country. European Union may like to consider evolving a system that would enable a student to imbibe these fundamental traits for the benefit of all.

Now, let me take up the area that is transforming religion into spiritual force. Many in the world believe, it is a difficult mission. I would like to share an experience that I have witnessed which has convinced me that it is possible.

b. Religion Transforming into Spirituality: Universal Mind

Religion has two components, theology and spirituality. Even though theology is unique to every religion, the spiritual component spreads the value to be inculcated by human beings for promoting a good human life and welfare of the society, while pursuing the material life. I would like to share an experience how the religion and science came together in a big mission. It was during early 1960's, the founder of Indian Space Research Programme Prof. Vikram Sarabhai with his team, had located a place technically most suited for space research after considering many alternatives. The place called Thumba in Kerala, was selected for space research as it was near the magnetic equator, ideally suited for ionospheric and electrojet research in upper atmosphere. I was fortunate to work with Prof Vikram Sarabhai for about eight years.

The major challenge for Prof Vikram Sarabhai was to get the place in a specific area. As was normal, Prof. Vikram Sarabhai approached the Kerala Government administrators first. After seeing the profile of the land and the sea coast, the view expressed was that, thousands of fishing folks lived there, the place had an ancient St Mary Magdalene Church, Bishop's House and a

school. Hence it would be very difficult to give this land and they were willing to provide land in an alternative area. Similarly the political system also opined that it would be a difficult situation due to the existence of important institutions and the concern for people who were to be relocated. However there was a suggestion to approach the only person who could advise and help. That was the Bishop "Rev Father Peter Bernard Pereira". Prof Vikram Sarabhai, approached the Bishop on a Saturday evening, I still remember. The meeting between the two turned out to be historical. Many of us witnessed the event. Rev Father exclaimed, "Oh Vikram, you are asking my children's abode, my abode and God's abode. How is it possible?" Both had a unique quality that they could smile even in difficult situations. Rev Father Peter Bernard Pereira asked Prof. Vikram Sarabhai to come to church on Sunday morning at 9.00 AM. Prof. Vikram Sarabhai went to the church again on Sunday with his team. At that time the prayer was progressing with the recitation of Bible by Father Pereira. After the prayer was over, the Bishop invited Prof. Vikram Sarabhai to come to the dais. The Rev Father introduced Prof Vikram Sarabhai to the mass, "Dear children, here is a scientist, Prof. Vikram Sarabhai. What do sciences do? All of us experience, including this church, the light from electricity. I am able to talk to you through the mike which is made possible by technology. The treatment to patients by doctors comes from medical sciences. Science through technology enhances the comfort and quality of human life. What do, I do, as a preacher? I pray for you, for your well being, for your peace. In short, what Vikram is doing and what I am doing, are the same - both science and spirituality seek the Almighty's blessings for human prosperity in body and mind. Dear Children, Prof Vikram says, he would build within a year, near the sea-coast, alternative facilities to what we are having. Now dear children, can we give our abode, can we give my abode, can we give the God's abode for a great scientific mission?" There was a total silence, a pin drop silence. Then all of them got up and said 'Amen' which made the whole church reverberate.

That was the church where we had our design centre, where we started rocket assembly and the Bishop's house was our scientists' working place. Later the Thumba Equatorial Rocket Launching Station (TERLS) led to the establishment of Vikram Sarabhai Space Centre (VSSC) and the space activities transformed into multiple space centers throughout the country. Now this church has become an important centre of learning, where thousands of people learn about the dynamic history of the space programme of India and the great minds of a scientist and spiritual leader. Of course, the Thumba citizens got the well equipped facilities, worshipping place and educational centre in an alternate place at the right time.

When I think of this event, I can see how enlightened spiritual and scientific leaders can converge towards giving reverence to the human life. Of course the birth of TERLS and then VSSC gave the country the capability for launch vehicles, spacecraft and space applications that have accelerated social and economic development in India to unprecedented levels.

Today, among us, Prof Vikram Sarabhai is not there, Rev Peter Bernard Pereira is not there, but those who are responsible for creation and making flowers blossom will themselves be a different kind of flower as described in the Bhagwat Gita: "See the flower, how generously it distributes perfume and honey. It gives to all, gives freely of its love. When its work is done, it falls away quietly. Try to be like the flower, unassuming despite all its qualities". What a beautiful message, to the humanity on the purpose of life reflected the spiritual component. Can we bridge the spiritual component of the religions to bring peace to nations and to the world?

I would like to recall one incident, which commonly occurs in many parts of my country. I have witnessed this event when I was a young boy (10 yrs). In our house, periodically I used to see three different unique personalities meet. Pakshi Lakshmana Shastrigal, who was the head priest of the famous Rameshwaram temple and a vedic scholar, Rev Father Bodal, who built the first church in Rameshwaram Island and my father who was an Imam in the mosque. All three of them used to sit and discuss the islands problems and find solutions. In addition they built several religious connectivities with compassion. These connectivities quietly spread to others in the island like the fragrance from the flowers. This sight always comes to my mind whenever, I discuss with people on Dialogue of religions. India has had this advantage of integration of minds for thousands of years. Throughout the world, the need to have a frank dialogue among cultures, religions and civilizations has been felt now more than ever. These two instances, what I have narrated give me confidence that religions definitely can be bridged through spiritual components. Whenever I meet the young and experienced in my country. I have narrated these two experiences. Many in my country and world over may have such experiences. We have to spread such "Glad Tidings" to every part of the world.

Now let us discuss the third important component of enlightened society, which is to achieve economic development for societal transformation. Let me take my country India as an example, it may be true to many parts of the world.

c. Economic development for societal transformation

Indian Economy is in an ascent phase. There is considerable growth in the

manufacturing and service sectors. We have a mission of spreading this economic growth throughout the country including the rural sector. Nearly 220 million people have to be lifted by upgrading their quality of life in both rural and urban areas. Even though the GDP growth indicates our economic growth, people's participation is essential for achieving the required targets. It is essential to ensure that the citizens are empowered with good quality of life encompassing nutritious food, good habitat, clean environment, affordable healthcare, quality education and productive employment, integrated with our value system drawn from civilizational heritage leading to the comprehensive development of the nation that will bring smiles in one billion people. These are indicators for the growth of the National Prosperity Index. To achieve that growth rate, we have identified five areas where India has a core competence for integrated action: (1) Agriculture and food processing (2) Education and Healthcare (3) Information and Communication Technology (4) Infrastructure development such as power, transportation, communication and including Providing Urban Amenities in Rural Areas (PURA) and (5) Self reliance in critical technologies. We propose to realize the vision of transforming India into a developed nation before 2020 by energizing and igniting the minds of all the 540 million youth of the nation.

So far we have discussed the three dimensional approach of providing value based education, religion transforming into spiritual force and economic development for societal transformation leading to the evolution of an enlightened society. This integrated three dimensional methodology of evolution of enlightened society, will pave the way for peaceful, prosperous, happy nations and thereby a world, free from extremisms and further seeds of extremism. In my website www.presidentofindia.nic.in, I have given how an empowered world body is essential to evolve the nations of enlightened citizens. I will be very happy to exchange thoughts and ideas and action related to this mission with the Honorable members of European Parliament.

Let me now discuss the second mission "Leading to Energy Independence".

II. Leading to Energy Independence

When we analyze the critical problems facing the planet earth today, two important issues come to our minds. First one is the continuous depletion of fossil-material-derived, oil, gas and coal reserves as predicted by World Energy Forum. The second one is the continuous degradation of environment primarily due to extensive use of fossil materials for generating energy. The solution to these problems can be found through energy

independence, which I have presented to my country. It may be applicable to many nations.

Energy Independence in India - A Perspective: India has 17% of the world's population, but only about 0.8% of the world's known oil and natural gas resources. Based on the progress visualized for the nation during the next two decades, the power generating capacity has to increase to 400,000 MW by the year 2030 from the current 130,000 MW in India. This takes into consideration of energy economies planned and the design and production of energy efficient equipments and systems. Energy independence has got to be achieved through three different sources namely renewable energy (solar, wind and hydro power), electrical power from nuclear energy and bio-fuel for the transportation sector. Energy independence throws very important technological challenges to the world: The solar cell efficiency has to increase from the present 20% to 55% through intensified research on CNT (Carbon Nano Tube) based solar cells. For thorium reactors, as it is known, thorium is a non-fissile material. It has to be converted into a fissile material using Fast Breeder Technology. In the Bio-fuel area, the challenge is bio-fuel plantation for higher yield, esterification technologies for the higher output and the modification to automobile power plants. These three research areas definitely need intensive cooperation between European Union and India. I would suggest setting up of an "Indo-EU Renewable Energy Development programme" for taking up advanced R&D in all forms of renewable energy leading to the availability of commercial class large scale power plants within the next decade.

Let us now discuss the third mission, called "World Knowledge Platform".

III. World Knowledge Platform

With the Indian experiences of two successful international cooperative ventures from concept to realization and marketing, I would suggest evolution of "World Knowledge Platform" for bringing together the core competence of multiple nations of EU and India in science and technology leading to the development of unique systems for Global applications. "World Knowledge platform" will enable joint design, development, cost effective production and marketing of the knowledge products, systems and services in various domains based on the core competence of partner nations to international market. World knowledge platform is a meeting place for science, technology, industry, management and marketing.

Missions of World Knowledge Platform: The convergence of Bio, Nano and IT is expected to touch every area of concern to the humanity. The "World Knowledge Platform" will take up the missions, in some of the areas discussed further, which are of utmost urgency to all of us to make our world a safe, sustainable, peaceful and prosperous place to live:

1. **Water:** Desalination of sea water using solar energy, channelization, networking of rivers, cost effective safe drinking water.
2. **Healthcare:** Diagnosis, drug delivery system, development and production of vaccines for HIV/TB, malaria and cardiac diseases, detection and cure of diabetics.
3. **Agriculture and Food processing:** Increased production of food grain in an environment of reduced land, reduced water and reduced manpower; preservation of food; food processing; cost effective storage and distribution.
4. **Knowledge products:** Hardware, Software and Networking and Storage Products including handheld micro and nano electronic devices.
5. **Transportation systems:** Fossil fuel free transportation systems using renewable energies safety systems, hardware and embedded software integration.
6. **Habitat:** Energy efficient, water efficient, pollution free habitat.
7. **Disaster Prediction and Management:** Earth quake forecasting, assessing in advance the quantum of rain for particular cloud condition.
8. **Capacity Building:** Quality human resource development for all the above areas including the development of personnel with world class skills.

European Union represents a wealth of scientific potential with rich culture for research. India has emerged as a leading country with its demonstrated scientific and technological potential in many societal missions and is now in the growth path. Combined strengths of the nations can be utilized for the mutual advantage of both India and EU by joining together as partners in creating the world knowledge platform.

Conclusion

Honorable Members of European Parliament, as we have seen, there is a

visible common thread of our dreams and problems. When I am with you, I have a feeling; that there are beautiful solutions from beautiful minds. Beautiful minds generate creativity. This is the common heritage of both India and Europe. Dear Honourable Members of European Union, I have presented three missions: (a) Evolution of enlightened society, (b) Leading to Energy Independence (c) Creating World Knowledge Platform. These Indo-EU missions will definitely reinforce further our strategic partnership and become the foundation for making the change in the life of 1.5 billion people, ultimately leading to confluence of civilizations.

For meeting the challenges of these missions, we can draw the inspiration from the saying of Maharishi Patanjali, about 2,500 years ago "When you are inspired by some great purpose, some extraordinary project, all your thoughts break their bounds. Your mind transcends limitations, your consciousness expands in every direction, and you find yourself in a new, great and wonderful world. Dormant forces, faculties and talents come alive, and you discover yourself to be a greater person by far than you ever dreamt yourself to be."

Dear Honorable Members, I have great admiration for the European Union. In this context, I have composed a poem, which I would like to share with you. The title of the poem is "Message from Mother Earth"

Message from Mother Earth

1. Beautiful Environment leads
To beautiful minds
Beautiful minds generate,
Freshness and creativity
2. Created explorers of land and sea
Created minds that innovate
Created great scientific minds
Created everywhere, why?
3. Gave birth to many discoveries
Discovered a continent and unknown lands
Ventured into unexplored paths
Created new highways
4. In the minds of the best
Worst was also born
Generated seeds of battle and hatred
Hundreds of years of wars and blood;

5. Millions of my wonderful children
Lost in the land and sea
Tears flooded many nations
Many engulfed in ocean of sadness
6. Then, then came, the vision of European Union,
Took the oath,
"Never to turn human knowledge,
Against ourselves or others".
7. United in their thinking,
Actions emanated,
To make Europe prosperous and peaceful,
Born, the European Union.
8. That "Glad Tidings", captivated,
The people of the planet of my galaxy.
OH! European Union, let your missions,
Spread everywhere, like the air we breathe.

Dear friends, Let me convey my greetings of one billion people of my country to all the Hon'ble Members of European Union and through you to all the citizens of European Union countries.

May God bless you.



145. Press Release of the Ministry of External Affairs on the launch of India-EU Civil Society Internet Forum.

New Delhi, May 1, 2007.

The India-EU Civil Society Internet Forum was launched today by Shri. Anand Sharma, Minister of State for External Affairs in New Delhi. Mr. Dimitris Dimitriadis, EU Co-Chair of the India-EU Round Table & President, European Economic and Social Committee (EESC) and Shri N.N.Vohra, India Co-Chair of India-EU Round Table were among those present.

The setting up the India-EU Civil Society Internet Forum was envisaged in the India-EU Joint Action Plan adopted at the 6th India-EU Summit in September 2005. The site has been prepared by NASSCOM Foundation and is conceived as a simple and user friendly website. The primary objective of the internet forum is to give greater visibility to India-EU Round Table, to disseminate information on its work and to facilitate networking with civil society.

The address of the website is

www.india-eu.org.

The India-EU Round Table provides a forum for civil society cooperation meant to contribute to the enhancement of bilateral relations between India and the EU. The decision to set up the India-EU Round Table was taken at the Lisbon Summit of June 2000. Shri.N.N.Vohra, PM's Special Representative to J&K is Indian Co-Chair of the Round Table. The first meeting of the India-EU Round Table was held in New Delhi in January 2001. The recommendations of the meetings of the Round Table are forwarded to the European Institutions and to the Government of India for consideration. The 10th meeting of the India-EU Round Table was held in Vienna on June 7-8, 2006. It focused on energy and social development issues. The next India-EU Round Table meeting will take place next month June 5-6 at New Delhi.



146. Briefing Points by Official Spokesperson on External Affairs Minister's meeting with the Heads of Mission in EU member countries.

New Delhi, May 30, 2007.

- External Affairs Minister Shri Pranab Mukherjee chaired a day long Conference of India's Heads of Missions in EU States in Brussels today. Twenty-one Heads of Missions attended the Conference.
- Addressing the Heads of Missions, EAM underlined the importance of the Strategic Partnership between India and the EU, which is now India's largest trade partner. EU is also the source of one-fifth of India's FDI as well as an important destination for Indian investment. The Strategic Partnership is underpinned by an extensive Joint Action Programme adopted in 2005. Summits have been held annually since 2000 and the next Summit is expected to be held in New Delhi late in 2007. Our effort is to increasingly move the relationship beyond trade and economic relationship into areas such as S&T, cooperation in Counter Terrorism, access to new energy and renewable energy technologies, space, environment etc. Negotiations are also expected to begin on a wide-ranging Free Trade Agreement between India and EU soon.
- The Heads of Missions briefed the EAM on aspects of the Indo-EU Strategic Partnership, principal issues of bilateral relations between India and countries of their accreditation as well as important developments in Europe/EU and NATO.



147. Press Release of the Ministry of External Affairs on the opening remarks by External Affairs Minister at Joint Press Conference, India-EU Ministerial Troika Meeting.

Berlin, May 31, 2007.

Good Afternoon, Ladies & Gentleman,

I am happy to be here in Berlin today for this India-EU Troika Meeting at the Ministerial level. This has provided us as a useful opportunity to review the entire gamut of our strategic partnership and prepare for the Summit level interaction later this year in India. We were also able to exchange views on regional and international issues of mutual interest such as the fight against terrorism, Afghanistan, Iran, energy and climate change issues.

India the world's largest democracy and the European Union, the largest union of democracies, share common values. The Strategic Partnership between India and EU is underpinned by these shared values of democracy, pluralism, celebration of diversity, human rights, an independent judiciary and a free press.

The European Union, with which India has a strategic partnership since 2004, is important to India collectively and individually. It is an important trade, technology and investment partner. The EU is also home to a large Indian diaspora.

It has been a little over seven months after the very successful 7th India-EU Summit held in Helsinki in October 2006 and it was a good time to take stock of the progress made since then. The major areas of cooperation under the Joint Action Plan have seen progress. The dialogue and consultation mechanisms have been strengthened. Our President addressed the European Parliament last month in Strasbourg, the first such address by an Indian President.

At the Helsinki Summit both sides had agreed to launch negotiations on a broad based trade and investment agreement. We have noted that the Council of the EU has recently approved the mandate for the European Commission to launch negotiations on the trade and investment agreement with India. We look forward to an early launch of the negotiations.

Cooperation in the fields of science & technology, research and energy are among the important areas of our strategic partnership. In February, we had in New Delhi an important India-EU Ministerial Science meeting, which

identified area of future cooperation in the fields of S&T such as drug development, clean energy and infectious diseases. India and the EU are cooperating on the ITER nuclear fusion energy project. Steady progress is also being achieved in the context of the India-EU Energy Panel that is focusing on cooperation in the fields of clean and renewable energy, coal and petroleum and natural gas.

The day before yesterday, I attended the ASEM Ministerial Meeting in Hamburg. We had a most interesting and productive exchange of views at that gathering which virtually brings together the continents of Asia and Europe.

India and the EU are partners working together in addressing global challenges such as terrorism; promoting development which is economically, socially and environmentally sustainable; ensuring energy security and in the effective management of globalization. Together we believe we can make a difference.

I am thankful to Foreign Minister Steinmeier for arranging this interaction. The presence of the Foreign Minister of Portugal is particularly important for the next India-EU Summit which will be held during Portugal's presidency of the EU. We are convinced that the Summit will mark a new phase in our Strategic Partnership.



148. Press Release of the Ministry of External Affairs on the India – European Union Summit meeting.

New Delhi, November 29, 2007.

The 8th India-EU annual Summit will take place on November 30 2007 in New Delhi. The EU will be represented by José Sócrates, Prime Minister of Portugal, in his capacity as President of the European Council, accompanied by the President of the European Commission, Mr Jose Manuel Barroso; European Commissioner for Trade Mr Peter Mandelson and Mr. Joao Gomes Cravinho, Portuguese Minister of State for Foreign Affairs and Cooperation.

Prime Minister Dr. Manmohan Singh will lead the Indian side. He will be accompanied by the Sh. Pranab Mukherjee, External Affairs Minister, Sh. Kamal Nath, Commerce & Industry Minister and Shri M. K. Narayanan, National Security Advisor.

The 6th Summit at New Delhi in 2005 saw the adoption of an ambitious and comprehensive India-EU Joint Action Plan (JAP) to implement the strategic partnership launched at the fifth India-EU Summit at The Hague in November 2004.

The 7th India-EU Summit held in Helsinki in 2006 accepted the recommendation of the High Level Trade Group, set up under the Joint Action Plan, to launch negotiations on a broad based Trade and Investment Agreement. Negotiations for an India-EU broad based Trade and Investment Agreement have since started and are taking pace in a constructive manner and the second round took place in New Delhi in October 2007.

The 8th Summit takes place under the Portuguese Presidency of the EU. The member states of the EU are important to India individually as well as collectively. The EU 27 is an important trade, technology and investment partner for India. The EU is also home to a large Indian diaspora.

The Summit is part of India's ongoing dialogue with the EU for discussions on areas of mutual interest and to build on the strategic partnership with them.

The EU is India's largest trading partner (1/5th of India's total external trade).

Bilateral trade has steadily grown between 2001 and 2006 at over 10% on average and crossed • 46 billion in 2006 (Indian exports • 22.3 billion;

Indian imports • 24 billion). India and the EU are also important investment partners. Total FDI inflow from the EU to India is US\$ 10.86 billion (24% of total FDI inflows - Aug 1991-Feb 2007). The total Indian investment in EU in 2005-06 and first 6 months of 2006-07 was US \$ 3.5 billion.

The summit is preceded by an India-EU Business Summit and a CEO Round Table on November 29 2007.

Parliamentary exchanges are growing. On the invitation of the European Parliament's President, our Rashtrapatiji visited Strasbourg, France in April 2007 and addressed the European Parliament. This was the first ever visit and address by an Indian President to the European Parliament. The EU also attended the 14th SAARC Summit held in New Delhi in April 2007, for the first time as an observer.

An Agreement for Scientific & Technological Cooperation and a MoU on Multi-Annual Indicative Programme 2007-2010 in development cooperation will be signed between the two sides during the summit.



149. Joint Statement issued after the 8th India-EU Annual Summit.

New Delhi, November 30, 2007.

The eighth India-European Union Summit was held in Delhi on 30 November 2007. The Republic of India was represented by Prime Minister Dr Manmohan Singh, Shri Pranab Mukherjee, External Affairs Minister, Shri Kamal Nath, Minister for Commerce and Industry, Shri M K Narayanan, National Security Adviser. The EU was represented by Mr José Sócrates, Prime Minister of Portugal, in his capacity as President of the European Council, by Mr José Manuel Barroso, President of the European Commission, Mr Peter Mandelson, European Commissioner for Trade, and Mr João Gomes Cravinho, Portuguese Minister of State for Foreign Affairs and Cooperation.

The following message was jointly issued:

1. In the 60th year of India's independence and the 50th anniversary of the Treaty of Rome, India and the EU, as the two largest democracies of the world and global actors in a multipolar world, underscored

their commitment to the Strategic Partnership launched at The Hague in November 2004. They reaffirmed that the Strategic Partnership flows from a shared conviction in the values of democracy, fundamental freedoms (including religious), pluralism, rule of law, respect for human rights and multilateralism in the international political architecture as the means to tackle global challenges effectively. They expressed their determination to further strengthen the Strategic Partnership and to cooperate at the global level for the cause of peace, security and sustainable development for all.

2. India and EU welcomed the signing of a Memorandum of Understanding on the Country Strategy Paper for India for 2007-2010, which with a total budget of Euro 260 million, will support India's efforts to achieve the Millennium Development Goals and to implement the India-EU Joint Action Plan.
3. The two sides reviewed the Joint Action Plan, adopted at the sixth India-EU Summit at New Delhi in September 2005, welcomed the progress in its implementation, and looked forward to further advances. The two sides are to make an overall assessment of the Joint Action Plan in 2008 and, on this occasion, will assess ways and means of further upgrading the overall framework of EU-India relations.
4. They emphasised building on the existing bilateral cooperation programme in innovation and reduction of greenhouse gas emission, research on clean development and climate change and also on promotion of energy security and sustainable energy supply. The leaders noted with satisfaction the intensification of the dialogue at various levels between the two strategic partners as well as between India and individual EU Member States. The leaders welcomed the formation of a Delegation for Relations with India in the European Parliament. They agreed that the creation of an Indian parliamentary caucus for relations with the EU would encourage interaction between Parliamentarians from the two sides. The leaders also underlined the need to keep increasing people-to-people contacts between India and EU Member States for businesspeople, professionals and members of official delegations, as well as researchers, scientists, students, academics and civil society representatives.
5. India and the EU reaffirmed their commitment to the rules-based multilateral trading system and to a deeper level of bilateral trade relations. The successful and timely outcome of the Doha

Development Agenda (DDA) multilateral trade negotiations remains the foremost trade policy priority of the two sides. Both sides are determined to work closely together to ensure the successful conclusion of the DDA negotiations through a comprehensive, balanced and ambitious outcome in all areas of negotiation. Both sides agreed that development mandate of the Doha Ministerial Declaration must be honoured and reflected in the modalities being negotiated as also in the final outcome. A successful conclusion of the negotiations must yield an outcome that enhances market opening and contributes to development.

6. The leaders noted that bilateral trade and investment between India and the EU has been growing steadily and reflects the strengthening of bilateral economic ties. The sides also took note of the further work of the High Level Trade Group since the last Summit when it was decided to work towards concluding a Broad-Based Trade and Investment Agreement. India and the EU welcomed the progress achieved in the first few rounds of negotiations on the India-EU Trade and Investment Agreement and reaffirmed commitment to further intensify negotiations.
7. Both sides welcomed the India-EU Business Summit coinciding with the political dialogue. Leaders welcomed the second meeting of the EU-India CEO Round Table, which provided for useful and constructive interactions among key Business leaders from both sides. The Indian Side welcomed the proposal for creation of a European Business and Technology Centre in India, with the objective to promote private and public partnerships in specific sectors such as energy, environment, clean development and climate change.
8. The leaders reiterated their commitment to promote international peace and security. In this context the leaders highly valued the India-EU Security Dialogue, which had its second meeting in Berlin in May 2007, for exchanging views on security issues, including disarmament and non-proliferation, as well as bilateral issues of mutual concern.
9. Emphasising the paramount need for effective multilateralism and their commitment to a rules-based international order, the leaders reaffirmed their commitment to intensify cooperation at the United Nations and in multilateral fora to address issues of global concern, including in the areas of human rights, development and the environment. The Summit underlined the importance of a strong,

effective and efficient United Nations Organisation and the leaders also recognised the need for a comprehensive UN reform. The Summit agreed to work jointly towards strengthening the role of the UN Human Rights Council and the Peace-building Commission, and stressed the need to maintain momentum in the efforts to adapt the United Nations to the needs of today's world. In this same context the leaders stressed the need for more efficient environmental activities in the UN system. They also agreed to continue to explore the possibility of a more coherent institutional framework, building on existing institutions.

10. Both sides remain committed to reinforcing cooperation within the UN Human Rights Council and enhancing their dialogue on human rights, both in a bilateral and multilateral context. Both the EU and India are committed to respecting, protecting and promoting human rights and fundamental freedoms, as well as promoting good governance. The Summit leaders also stressed the importance of eliminating impunity for the perpetrators of genocide, war crimes and crimes against humanity.
11. India and the EU reaffirm their shared interest in working together as partners for disarmament and for countering the proliferation of WMD and their delivery systems. They regard proliferation of WMD and their delivery systems, particularly the risk of their falling into the hands of terrorists and other non-State actors, as a significant contemporary challenge. In this regard they emphasise the importance of full compliance by all States with their non-proliferation and disarmament obligations including through national implementation of effective export control measures as detailed in UNSC Resolution 1540. India and the EU are ready to contribute as partners to global efforts to address the proliferation of WMD and their means of delivery while preserving and promoting cooperation in peaceful uses of technology through forward looking approaches among countries committed to disarmament and non-proliferation.
12. The leaders emphasised the urgent need for the international community to promote a comprehensive peace plan for the Middle East / West Asia, with the objective of reaching comprehensive, just and durable peace and stability in the region. They reaffirmed their support for a negotiated settlement of the Israeli-Palestinian conflict based on existing agreements, including relevant UNSC Resolutions,

the Roadmap, and the Arab League Resolution (Beirut 2002). The leaders discussed the situation in Lebanon and supported the full implementation of UNSC Resolution 1701 and the reinforced UNIFIL. They supported the Lebanese Government's measures to preserve peace and stability, and to put down extremism. Leaders expressed their support for the recent international meeting, which they hope will contribute towards a comprehensive solution to the Arab Israeli conflict.

13. The leaders recognised the important efforts of both sides to support the sustainable development of Africa and to promote the integration of Africa into the world economy on fair terms for the peoples involved. Together, India and the EU recognise the importance of their participation in peacekeeping operations in Africa, including those in the Democratic Republic of Congo, Ethiopia and Eritrea. They also recognise the importance of enhancing their cooperation to support peace and security in Africa, to prevent conflict and to assist countries emerging from conflict.
14. The leaders discussed the evolving situation in Myanmar and agreed that the process of national reconciliation and political reform should be inclusive, broad-based and taken forward expeditiously. They expressed support for the ongoing good offices of the UN Secretary General's Special Envoy to Myanmar to resolve issues peacefully through dialogue and noted the efforts of the UN Special Rapporteur on the situation of human rights in Myanmar. The leaders affirmed the need for an inclusive dialogue, including with Daw Aung San Suu Kyi and the Myanmar ethnic groups, to bring about genuine reconciliation and progress towards democracy.
15. India and the EU expressed the hope that Pakistan will soon return to stability and democracy.
16. India and the EU expressed their strong support for a sovereign, democratic and pluralistic Afghanistan. They reaffirmed their sustained commitment to assist the Afghan Government in the stabilisation and rebuilding of Afghanistan, working within the framework of the Afghanistan Compact. They welcomed Afghanistan joining SAARC as its eighth member at the 14th Summit held in Delhi in April 2007, and the holding of the second Regional Economic Cooperation Conference (RECC) in New Delhi in November 2006. They noted that although much has been achieved in recent years, formidable challenges still lie ahead. In this regard, they expressed

concern over the security situation in Afghanistan due to the growth in terrorism and drug related activities, and the danger these developments pose. They condemned continued attacks on aid workers, and the kidnapping and killing of innocents by illegal armed groups, including the Taliban and Al Qaeda. They reiterated, in this context, that a coherent and united international commitment remains of paramount importance, and agreed to continue cooperating and coordinating their efforts to impart greater strength to this process.

17. The leaders expressed deep disappointment at the postponement of elections in Nepal. Repeated postponement of the elections erodes the credibility and affects the process of democratic transformation and legitimisation in Nepal. Early elections and a mandate from the people are essential for the peace process to stay on track. The leaders urged the Government and the political parties to honour the agreements and commitments already made to enable the people of Nepal to choose at the earliest their own future and the manner of their governance through a free and fair process, open to all without intimidation.
18. There is no military solution to the conflict in Sri Lanka. A negotiated, political settlement, acceptable to all communities within the framework of a united Sri Lanka, is the goal that all international efforts should encourage. A credible devolution package would be a major contribution to this end. The leaders urged the parties to ensure respect for human rights and international humanitarian law, and to guarantee access for humanitarian aid to the population.
19. India and the EU expressed their support for the reform process in Bangladesh, including preparations for general parliamentary elections in 2008. Both sides are mobilising significant efforts to help the country overcome recent natural disasters.
20. India welcomed the EU's participation as an observer in the 14th SAARC Summit, held in New Delhi on 1-4 April 2007. The Summit was the first where observers were allowed into SAARC. Both sides expressed hope that this would further enhance co-operation between SAARC and the EU.
21. The EU welcomed India's participation at the ASEM meeting and reiterated its endorsement of the incorporation of India in the fold of the ASEM process of dialogue and cooperation linking EU and Asia.

India noted the EU's interest to engage in the East Asia Summit process and its intention to join the Treaty of Amity and Cooperation (TAC).

22. India and the EU stand united in facing the scourge of terrorism, which constitutes one of the most serious threats to international peace and security. India and the EU condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose. Efforts to counter terrorism can only be successful with a sustained and comprehensive approach. It should be pursued in full respect of international law, in particular human rights law, refugee law and international humanitarian law. India and the EU, therefore, attach great importance to counter-terrorism cooperation in the framework of the United Nations, and share a commitment to universal ratification and full implementation of all UN counter-terrorism conventions and related protocols. The two sides expressed their commitment to work towards implementation of the UN Counter-Terrorism Strategy, including by supporting the work of the counter terrorism implementation task force. The EU and India continue to work actively towards a swift finalisation of a Comprehensive Convention on International Terrorism at the UN. Both sides are committed to continuing their cooperation on counter-terrorism and look forward to holding the next regular India-EU consultations soon. Strengthening cooperation to combat terrorism continues to be one of the priority areas for the EU-India Strategic Partnership.
23. Both India and the EU attach high priority to tackling climate change and promoting energy security as a key to stable and sustainable development. Energy is an important area of ongoing and future policy dialogue and practical cooperation between India and the EU. The two sides noted the valuable contribution of the India-EU Energy Panel, which had its third meeting in June 2007 in Brussels. They agreed to expand the scope of the working group on Coal with alternate meetings adopting different emphasis on mining oriented and conversion technologies, including enhanced generation efficiency, carbon capture and control respectively. It was also decided to have Indian participation in the international Biofuels forum. The two sides agreed to work towards a new flagship project on R&D in solar energy. In addition, leaders agreed to enhance cooperation on energy efficiency on an international level. They also

recognised the importance of improving efficiency, in particular through the adoption of collaborative approaches in energy-intensive sectors.

24. The two sides expressed their satisfaction on the entry into force of the ITER agreement on 24 October 2007 and on the first official meeting of the ITER Council on 27-28 November 2007. The EU and India have agreed to start the discussions towards the establishment of a bilateral agreement between EURATOM and India in the field of fusion energy research to complement the ITER Agreement.
25. The leaders reaffirmed that urgent action is required by all countries to address climate change, the urgency of which was confirmed by the latest findings of the Intergovernmental Panel on Climate Change (IPCC). India and the EU are committed to the stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. They believe that, in order to achieve this, global action is needed by all parties, according to their common but differentiated responsibilities and respective capabilities, with developed countries taking the lead. The EU and India agreed to work together bilaterally to accelerate their countries' transitions towards a low carbon economy, **e. g in the context of the EU-India Joint Initiative on Clean Development and Climate Change. They agreed the importance to sustainable development of synergies between energy security, sustainable energy supply, improved air quality, innovation and action to tackle climate change. They agreed on the importance of private sector engagement and investment in tackling climate change,**
26. The two sides reiterated their commitment to the United Nations Framework Convention on Climate Change and the Kyoto Protocol. They are committed to moving forward in the UN forum and called on all parties to actively and constructively participate in the UN Climate Change Conference (UNFCCC) in Bali in December 2007. They also agreed that an integrated approach to climate change and energy is crucial, and particularly stressed the need to exploit the synergies between the promotion of energy security, improved

air quality and reduction of greenhouse gas emissions to ensure consistency between meeting the ultimate objectives of the UNFCCC and energy policy and economic growth and development goals. They emphasised the importance of a post-2012 agreement for GHG reduction commitments by developed countries in facilitating significant cost reductions of clean technologies and their transfer, deployment and dissemination, as well strengthening the global carbon market and intensifying cooperation on the adaptation to the increasing adverse impacts of climate change.

27. Recalling the importance of bilateral co-operation on global environmental challenges, including halting biodiversity loss and protection of forests, leaders agreed to step up co-operation in the run-up to the 2008 Conference of the Parties to the Convention on Biological Diversity. They will also strengthen co-operation in other areas such as the environmentally sound management of waste, including in the preparation of the 9th Conference of the Basel Convention on hazardous waste. The EU-India Environment Forum has been a useful mechanism for the sharing of expertise among business, academia and civil society and both sides look forward to the 2008 Environment Forum on chemicals as well as working together in multilateral fora related to chemicals and cooperation between various relevant conventions.
28. The leaders agreed to develop a joint work programme covering the key areas of energy, environment, research and climate change, to promote ongoing and future co-operation in these areas of growing importance to both sides.
29. India and the EU welcomed the steps taken by the European Investment Bank in India to establish loan-based project funding under its new Asia lending mandate, and in particular with reference to the financing instrument supporting projects in the fields of energy sustainability and climate change mitigation. They encouraged closer cooperation between the EIB and its relevant counterparts in India to work towards establishing financing for specific investment projects.
30. In recognition of the critical role of science and technology in striving towards their respective knowledge-based economies, leaders expressed their satisfaction with the outcome of the India-EU Ministerial Science Conference from February 7-8, 2007. Its significant recommendations were for establishment of joint nodes for networking

innovation systems, efforts towards creation of joint infrastructure for advanced research and funding systems for symmetric programmes for promotion of S&T collaboration. Within the framework of the India-EU S&T Cooperation Agreement renewed today, leaders would welcome strengthened partnership initiatives such as joint projects with co-investment of resources in selected fields of mutual priority. The two sides agreed to explore bilateral cooperation on space policies and programmes including global satellite navigation.

31. Given the healthy growth and potential in two-way trade, tourism, research and student exchanges, and business between the EU and India, the leaders recognised the importance of strengthening transportation links in order to further promote and facilitate exchanges. The leaders recalled the India-EU Aviation Summit that took place in New Delhi on 23-24 November 2006, which demonstrated the growing importance of India-EU civil aviation links and the excellent collaboration between Indian and EU aviation authorities and industries in civil aviation related sectors. The leaders looked forward to the finalisation of a mutually beneficial 'Horizontal Agreement' between the EU and India with a sense of urgency, as well as an agreement on the priorities for a new technical cooperation programme.
32. The leaders took note of the state of negotiations for a maritime transport agreement between India and the EU and expressed support to the continuation of the negotiation process with a view to conclusion of a mutually beneficial agreement at the earliest.
33. Leaders welcomed the strengthening of the EU-India dialogue and cooperation on employment and social policy on the basis of the Memorandum of Understanding signed in November 2006, including a first tripartite visit from India to the EU and the second EU-India seminar on employment and social policy held on 17-18 September 2007 in Lisbon, which provided a high-level policy forum for tripartite discussion on major challenges and further cooperation on social security and social protection. They highlighted the importance of the involvement of social partners in this dialogue.
34. The leaders reaffirmed their commitment to deepen bilateral economic cooperation and took note of policy dialogues in areas of mutual interest. They noted with satisfaction the study visit carried out by experts from the European Commission and the European Medicines Agency (EMA), which has contributed to a better

understanding of the Ayurveda system in order to advance the ongoing regulatory dialogue on the pharmaceutical sector.

35. The leaders expressed satisfaction at the establishment of a regular macro-economic dialogue within the broad context of EU-India economic cooperation, the first meeting of which was held in New Delhi on 12 July 2007. The leaders noted that the dialogue, would provide a forum in which both parties could discuss economic developments and policy challenges in their respective economies as well as developments in the regional and the world economy at large, and learn from each other's experience with economic reform. Both sides reiterated their commitment to the continuation of their financial services regulatory dialogue. Recognising the benefits of closer cooperation in fostering the protection and promotion of intellectual property rights, the leaders reaffirmed their commitment to develop an active dialogue in this field, including cooperation on capacity building activities, human resource development and public awareness programmes.
36. The leaders expressed their support to further enhancement of cooperation in the field of culture including through stepped up activities of organisations such as the Indian Council for Cultural Relations (ICCR) and the Indian cluster of the European Union National Institutes of Culture (EUNIC). Both sides stressed the importance of academic cooperation and in this context valued highly the exchanges under the Erasmus Mundus programme. Both sides expressed deep commitment to the preservation and fostering of cultural diversity and welcomed the ratification of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. The sides also stressed the importance of dialogue among cultures and civilisations in the new millennium. In this context, the sides reaffirmed the importance of cooperation in the field of cultural heritage, as well as programmes to promote exchanges in the arts.
37. The leaders noted the valuable contribution to bilateral relations made by the India-EU Civil Society Round Table which met most recently in Delhi in September 2007. They noted the value of enhanced participation by civil society in this forum.



150. Joint Statement on India-European Union Joint Action Plan: Implementation Report.

New Delhi, November 30, 2007.

1. The sixth India-EU Summit held in New Delhi (7 September 2005) endorsed a comprehensive Joint Action Plan (JAP) setting out a road map for India-EU interactions in diverse sectors. The seventh India-EU Summit held in Helsinki in October 2006 issued the first report on the progress of the implementation of the JAP. Given that the activities undertaken in the framework of the JAP constitute an important contribution to the Strategic Partnership, both sides take satisfaction in reporting the following achievements:

Strengthening dialogue and consultation mechanisms

2. Since the seventh India-EU Summit, the two sides have sustained high-level interactions and have taken forward strides in strengthening their dialogue.
3. The President of India visited Strasbourg on 25-26 April 2007 at the invitation of the President of the European Parliament. During the visit he addressed the European Parliament (EP) and met with the President of the European Parliament. In his address on the 'Dynamics of Unity of Nations' President Kalam projected the many similarities shared by India and the European Union as multi-cultural, multi-linguistic and multi-religious entities. During the visit the President also addressed the International Space University at Strasbourg on 'Creative Leadership for Future Challenges of Space'.
4. During the reporting period there have been two Senior Officials meetings and a meeting of the Joint Commission to review the progress made on the JAP. Meetings under other consultation mechanisms have also taken place, viz the India-EU Energy Panel and its Joint Working Groups, Security Dialogue, sectoral Working Groups on Pharmaceuticals and Biotechnology; Agriculture and Marine Products; Food Processing; Technical Barriers to Trade and Sanitary and Phytosanitary Issues.

Political dialogue and co-operation

5. The EU was associated with SAARC as an Observer State and attended the 14th SAARC Summit held in New Delhi on 1-4 April

2007 in order to share experiences regarding ongoing integration processes.

6. In the field of effective multilateralism, India and the EU cooperated closely. Both sides encouraged the establishment of the United Nations Human Rights Council, of which presently India and seven EU Member States are currently members. Both sides also encouraged the United Nations Peace-building Commission, which has India and seven EU Member States as well as the European Community among the members of its organisational committee. Both sides have held various consultations in New York and Geneva to discuss topics of common interest. Both sides reiterated their resolve to continue working together in multilateral fora to further common interests. Both sides also agreed to intensify dialogue on peacekeeping, peace-building and post-conflict assistance, three areas where their respective contributions are crucial to UN activities.
7. India's External Affairs Minister, H.E. Mr Pranab Mukherjee, participated for the first time in the ASEM Foreign Ministers' Meeting in Hamburg, Germany in May 2007. The EU welcomed India's participation in the ASEM meeting and reiterated its endorsement of the incorporation of India in the fold of the ASEM process of dialogue and co-operation linking the EU and Asia. The EU-India ministerial Troika meeting on 31 May 2007 in Berlin was an opportunity to take stock of recent progress in the implementation of the Strategic Partnership and to discuss how to further intensify it.
8. The second meeting of the India-EU Security Dialogue was held in Berlin on 2 May 2007. The two sides had fruitful discussions on global and regional security issues, disarmament and non-proliferation.
9. The India-EU human rights dialogue, with the participation of EU Ambassadors, was held in New Delhi on 12 December 2006. An India-EU experts seminar on minorities was also held in New Delhi on 16 March 2007.
10. Both sides continue to share concern at the scourge of terror that has affected both India and the countries of the EU. The issue was discussed between the two sides at various levels. The sixth India-EU consultations on terrorism took place in Brussels in December 2005. Both sides decided to have the next meeting in 2008.

Bringing together people and cultures

11. The India-EU Civil Society Round Table continues to be a useful forum for involving civil society stakeholders in the Strategic Partnership. The eleventh meeting of Round table was held in September 2007 in New Delhi. The members discussed issues of social development, trade and investment, and renewable energy. The India-EU Civil Society Internet Forum was launched on 1 May 2007, by Mr Anand Sharma, India's Minister of State for External Affairs.
12. The India-EU Joint Working Group on Consular Affairs held its meeting in New Delhi on 8 December 2006 to discuss consular and visa services.
13. Both sides welcome the intensification of India-EU parliamentary exchanges. The European Parliament created a new Delegation for Relations with India in March 2007. Ms Neena Gill is Chairperson of the Delegation.
14. There has been a substantial increase in the number of scholarships awarded under the Erasmus Mundus India Window during the last year. A European Higher Education Fair was organized in Delhi on 24-26 November 2006 as well as the Asia Link Symposium on 24 November 2006, also in Delhi, on academic exchanges and mobility. The two sides firmly intend to cooperate further in this field.
15. Cultural initiatives have been organized by both sides. The Presidency of the European Union organized the European Union Film Festival 2007 in various cities in India i.e. New Delhi (27 April – 04 May), Pune (04 – 11 May), Calicut / Kozhikode (14 – 18 May) and Kolkata (19 – 24 May).

Economic policy dialogue and co-operation

16. All the Joint Working Groups (JWG) conceptualized under JAP have been established. The first meeting of the India-EU JWG on Agriculture and Marine Products was held in New Delhi in February 2007. The second meeting of the JWG on Sanitary and Phytosanitary Standards/Technical Barriers to Trade (SPS/TBT) was held in Brussels in October 2007. The meeting was useful in providing a better understanding of various regulatory issues. The first meeting of the JWG on Food Processing was held in November 2006.

17. The first EU-India Ministerial Science Conference took place in New Delhi in February 2007. The meeting had a strong representation from EU Member States, from Science & Technology (S&T) Departments, and from leading scientists from both India and the EU. This was the first time that EU Member States and the EC met in a science ministerial conference outside the EU. The meeting allowed for an active discussion on key co-operation priorities, and on the potential benefits of a Coordinated Joint Call for proposals with co-investment of resources, including funds for sponsoring India-EU research projects and means to deepen EU-India S&T collaboration under the India-EU S&T Co-operation Agreement and the seventh Framework Programme. An open interactive session was held with a large number of Indian students as well as a meeting with leading CEOs from various sectors. The outcome was the 'New Delhi Communiqué', which outlined the future of India-EU co-operation in Research and Development. In particular, leaders welcomed the expected renewal this year of the successful India-EU Science and Technology Agreement of 2002.
18. The fourth Meeting of the EU-India Science and Technology Steering Committee took place on 8 November 2007 in New Delhi. At the meeting a road map was established for S&T co-operation from 2008 onwards, which will include Strategic Workshops in India on New and Renewable Energy, and the transfer of European experience and best practices on innovation through networks and centres. The EU and India are now expected to launch their first-ever 'Coordinated Joint Call for Proposals', which will be on computational material science.
19. The first India-EU Macroeconomic Dialogue took place in New Delhi on 12 July 2007. The two sides discussed their macroeconomic situations and policies. They also agreed to hold the second EU-India Macroeconomic Dialogue in 2008 in Brussels. Following the successful first meeting of the Financial Services dialogue meeting in June 2006, both sides look forward to the second meeting to be held in New Delhi in 2008.
20. The second India-EU Environment Forum on 'Waste Management - A Cradle to Grave Approach' was convened in Delhi on 7 December 2006. The Action Plan Support Facility Financing Agreement was signed with Government of India on 2 March 2007 and the

environment component of this programme is currently being put in place. The EC-India Joint Working Group on Environment met on 9-10 July 2007 in Brussels. The meeting discussed a wide range of issues and identified areas for further co-operation.

21. Clean Development and Climate Change: An International conference on 'Adaptation to Climate Variability and Change', jointly organised by the European Commission, the Indian Ministry of the Environment and Forests, and other multilateral and bilateral agencies, was held in New Delhi in December 2006. The India-EU Climate Change Research workshop took place in February 2007 in New Delhi. The India-EC JWG on Environment held in July 2007 in Brussels had useful discussions on climate change.
22. Energy is an important area of ongoing and future policy dialogue and practical co-operation between India and the EU. The two sides noted the valuable contribution of the India-EU Energy Panel and its working groups, which had its third meeting on 20 June 2007 in Brussels. All four working groups met in the first half of 2007 before the meeting of Energy Panel. It was agreed to expand the scope of work of the working group on Coal with alternate meetings adopting different emphasis on mining oriented and conversion technologies respectively. The two sides stand ready to identify a new flagship project on R&D in solar energy. It was also decided to commence four EU-funded studies under the various JWGS in 2008, with a fifth study carried to be out by India. India is also a participant in the International Biofuels Forum, which met twice so far: in July 2007 in Brussels and in October 2007 in New Delhi.
23. The fifth annual India-EU Joint Working Group on Information and Communication Technologies (ICT) was held in September 2007 in New Delhi. The dialogue provided an opportunity to discuss policy, regulatory and research matters and define a concrete list of actions to enhance further our co-operation. On research,
22. Indian organisations were involved in 14 joint projects launched under the Information Society Technology (IST) programme in the sixth Framework Programme. To this end two workshops were also held in India in September 2007.
24. The first India-EU Aviation Summit was held successfully on 22-24 November 2006 in New Delhi. The Aviation Summit demonstrated

the growing importance of EU-India relations in civil aviation and the excellent collaboration between EU and Indian aviation authorities and industries. A Joint Declaration was signed at the Civil Aviation Summit setting out a roadmap for future co-operation including the finalisation of the horizontal aviation agreement on a priority basis and the agreement on future technical co-operation in early 2007. On 22-23 October 2007, Civil Aviation Minister Mr Praful Patel and the European Commission's Vice-President Barrot met in Brussels to discuss civil aviation co-operation. Four rounds of discussions have taken place on the Civil Aviation Horizontal Agreement. Under the European Commission's new Indicative Programme of co-operation with India, a new programme on civil aviation co-operation is proposed which will build on the successful results of the previous 1999-2006 'India-EU Civil Aviation Co-operation Project'.

25. Two rounds of negotiations on the India-EU Maritime Agreement were successfully held in February 2007 in New Delhi and in July 2007 in Brussels. The negotiations have resulted in better understanding of the respective positions and progress towards a mutually beneficial conclusion of the negotiation process. Both parties look forward to the next round of negotiations which are expected to take place in New Delhi by early 2008.
26. Bilateral contacts were established between the European Commission, the European Space Agency, and the Indian Space Research Organisation during the International Astronautical Congress in Hyderabad on 24-28 September 2007. The discussions constituted the first dialogue and exchange of ideas on possible future co-operation priorities, and both sides expressed a willingness to undertake concrete joint co-operation activities.
27. The European Commission and representatives of the European Agency for the Evaluation of Medicinal Products (EMA) carried out a visit to India in January 2007 to study the *Ayurveda* system of medicine and specific *Ayurveda* centers, to gain a better understanding of key regulatory aspects as well as other relevant aspects. The JWG on Pharmaceuticals and Biotechnology held its second meeting in India in May 2007 at which the report of the study visit was presented.
28. A meeting of JWG on Agriculture and Marine products took place in

New Delhi in February 2007 and discussed a wide range of issues of mutual interest. Agriculture Commissioner Fischer Boel, accompanied by a delegation of top EU business executives from the agri-food sector, undertook a promotional visit to India in March 2007 with the aim of fostering and increasing business opportunities between India and EU. The focus of the visit was the 'International Aahar Food Fair' in New Delhi which the Commissioner jointly inaugurated with the Minister of Food Processing Industries.

29. The second Joint Customs Co-ordination Committee Meeting, held in December 2006 in Chennai, had useful discussions in the context of the Joint Customs Co-operation Agreement. Both sides are committed to continue to implement co-operation in the customs area and customs-related IPR components of the Trade and Investment Development Programme.
30. The first India-EU seminar on employment and social policy on 'Skills Development, Training and Employment' took place in November 2006 in New Delhi. During his visit to India for the seminar, EC Employment Commissioner Dr Spidla signed a Memorandum of Understanding between the EC and the Indian Ministry of Labour. The second India-EU seminar on employment and social policy on 'Social security and social protection - key tools for sustainable and responsible growth and development', and a related Senior Officials Meeting, took place in September 2007 in Lisbon. A first high-level tripartite delegation from India visited Lisbon, Brussels and the UK's East Midlands area in September 2007.
31. The India-EU Business Summit held in Helsinki on 12 October 2006, formally established the India-EU CEO Round Table, constituting a forum for high-level CEOs from India and the EU to provide policy recommendations to leaders for the strengthening of the business partnership. In particular, both partners remain committed to continue intensive consultations with industry and business organisations. Investment Facilitation Desks have been set up under the India-EU Trade and Investment Development Programme with a view to facilitate the provision of information to European investors in India. The Commission also proposes to establish a European Business and Technology Centre in India which shall act as a vector for promoting industrial and research partnerships and co-operation between the EU and India in key sectors.

32. The European Commission has adopted the Country Strategy Paper 2007-2013 for India, with an indicative total amount of Euro 470 million, which outlines the priorities and provides the financial framework for the funding of co-operation activities in India. In this context, an amount of Euro 260 million has been set aside for the first Multi-annual Indicative Programme 2007–2010. This covers programmes in the health sector, elementary education and implementation of the Joint Action Plan.

Developing Trade and Investment

33. The EU and India have conducted an active dialogue both at the political and technical level in order to re-launch the process of Doha with a view to successfully concluding the multilateral negotiating round, which would bring significant benefits to the global economy in terms of boosting trade and investment.
34. Based on the recommendations of the High Level Trade Group to the seventh India-EU Summit in October 2006 in Helsinki, negotiations for a broad based trade and investment agreement were opened in Brussels on 28-29 June 2007. A second round of negotiations took place in New Delhi during the first week of October 2007. The negotiations have been conducted in a constructive fashion and negotiators have been able to report good progress. The third round of negotiations is scheduled to take place in Brussels on 6-12 December, 2007.
35. The EU and India also continued their dialogue on bilateral trade issues in other forums, such as the EU-India SPS/TBT Working Group which met for the second time in Brussels in October 2007. The next meeting is foreseen to take place in spring in Delhi.



G-8 AND OUTREACH SUMMIT

151. Media briefing by Foreign Secretary Shivshankar Menon on Prime Minister's visit to Germany for the G-8 Meeting.

New Delhi, June 5, 2007.

Official Spokesperson: Good afternoon, ladies and gentlemen. We have requested Foreign Secretary to be here to brief you on Prime Minister's visit to G-8 beginning tomorrow. After FS has made his initial remarks, if you have any questions please let us know.

Foreign Secretary: As you know, Prime Minister will be leaving Delhi tomorrow to go to Germany for the G-8 meeting with the Outreach countries. This is the third year in a row that India has been invited to the G-8 Summit of Heads of State and Government along with Brazil, China, South Africa, Mexico to participate in a special meeting.

Prime Minister will be leaving tomorrow. Day after tomorrow, on the 7th (June), he will be in Berlin where he will be meeting with some of the leaders who will be present there, for instance, with the President of China, with the UN Secretary General, with the President of Nigeria, and with the President of Mexico. In the evening there will be a meeting of the Heads of State and Government of the five developing countries - Brazil, China, India, Mexico and South Africa - in Berlin itself. We will brief you immediately after that evening on that series of meetings in Berlin.

On the 8th (June), Prime Minister will go to Heiligendamm which is where the G-8 Summit is for a meeting of the G-8 Heads with the five Outreach members in the morning. They will have a working session on the morning of the 8th lasting two hours which will cover basically issues relating to the global economy, subjects like climate change, foreign direct investment, promotion and protection of intellectual property rights, energy, and development. It is a fairly full agenda. As in the past it will be an informal discussion between the Heads on these topics.

Thereafter, the leaders will move to lunch where they will also be joined by some of the African Heads of State and Government who are also doing a separate outreach with the G-8. Over the working lunch they will probably be discussing the Doha Round and progress towards the Millennium Development Goals, in other words trade issues and development issues as a whole.

While in Heiligendamm, Prime Minister will also be having meetings with G-8 Heads of State and Government. Given the nature of the situation, most of these will all be in the form of pull-asides rather than formal bilateral meetings or calls because they will be squeezed into the official programme. He will return to Berlin late that evening and return to India the following morning.

From our point of view the significance of the meeting is, of course, that it is an occasion to review at a very high-level the nature of the world economy, of some of major issues that we as an international society face together. I think the fact of India's participation is proof of our interest and willingness to participate in the evolution of global solutions to global problems. This year's Summit, you would have noticed already, will probably be dominated by the theme of climate change which is an issue which affects us all. In India especially, I think we are particularly sensitive to this. This is an issue which we regard, not just climate change but environment as a whole, I think we were among the first to raise this as a real issue - Prime Minister Indira Gandhi did when we had the first World Environment Conference in Copenhagen. It is an issue that matters to us tremendously. In some ways it is even harder for an economy which is still a developing economy to adapt to the effects of climate change and to mitigate the effects on the lives of its own citizens.

We are looking forward to the bilateral meetings as well where there is a fairly detailed agenda, a full agenda to cover in the two days. We will brief you at the end of each day and if possible even before that. I think on the 7th, we will probably try and brief you before the evening meeting of the O-5, and then brief you after that so that we can tell you about the bilaterals in the course of the day in time for you to report back, and may be at the end of the day. 8th (June) might be a bit difficult until we get back to Berlin which is when we will do an India-specific briefing for you. I would be happy to answer any questions which you might have.

Question: Is there a meeting scheduled with President Bush?

Foreign Secretary: As I said, on the 8th in Heiligendamm what we expect is pull-asides with various G-8 leaders, that is what we are scheduling right now with the various leaders including President Bush.

Question: I wanted to ask you about two things specifically. You just mentioned that it is very hard for developing countries to adapt technologies in the climate change context. Do you think there are tensions for India on that count? Do you think there is some kind of pressure on India to yield more than what is fair?

Foreign Secretary: I think from our point of view the best form of adaptation is development. If you look at the kind of contributions that we have already made, I think it is quite sizeable. Many of the steps that we actually take as part of our normal development process or for other reasons also actually help to mitigate the effects of climate change. For instance, we decided that Delhi will have CNG buses. We might do it for public health reasons; we might do it for other reasons, but it also helps to reduce greenhouse gas emissions. So, there is a large series of things that we do as part of our own development. You look at the energy efficiency in the Indian economy. Since 1970s, steadily it has gone up - up meaning the amount of energy that you use per dollar GNP has steadily shrunk. Today we are at levels of energy efficiency which are about the same as Germany. Now, it would not always stay this way. This may be because services is a relatively large part of our economy. But the fact is that that is something that we did for our own reasons - to use whatever energy we have efficiently for our own growth. But it also has climate change advantages. So, there are a set of steps, both adaptation and mitigation, which we do. I think what is important is that the burden of incremental costs of doing additional steps, that must be shared fairly. The principle for that is well-known. It is agreed in the UN Framework Convention on Climate Change where it says, 'common and differentiated responsibilities according to respective capabilities'.

So, as long as that is the principle that is followed - and it is an agreed international principle - and as long as we work on that basis, I do not think it would be unfair in any way. The fact is, historical responsibility even in terms of present emission levels, it is quite clear who is responsible for this. But we are all affected by the results of it. We will be very happy once our per capita emission levels reach the same as the industrialized countries to do our share too.

Question: With Chinese President, what are the issues which you expect that may come up?

Foreign Secretary: I think we will do the bilateral relationship, we will do all the issues that are on the table, we will see how far we have got in following up on the various decisions that were taken during his visit last November, and look forward to the future. But I would rather brief you on that after the conversation.

Question: I have two questions. One is that Angela Merkel had called PM on Saturday. What did she tell him? Now that President Bush has come out with an alternative proposal, what is India's reaction?

Foreign Secretary: Chancellor Merkel had called Prime Minister about the G-8 meeting with the outreach countries and they had a very good conversation on the agenda of the Summit, how they expect to see it, play out, and what they hope for from the Summit. It is on that basis really that I am saying that climate change will be one of the major themes of the Summit. I think they have also discussed development and how important it was, which is why there will be a whole separate segment on the Millennium Development Goals and development as such. On the US proposals, I think you would have noticed in the last few weeks there have been several proposals. President Bush has made some proposals on climate change. Prime Minister Abe and the Chinese have also issued a paper on climate change from their point of view.

Frankly, I think we are now at the stage in the international society of all putting forward our ideas and then trying to see what works for all of us. I do not think we have quite harmonized everybody's ideas yet clearly. You can see that in the various proposals that are on the table. There are elements in what President Bush has said which we are very comfortable with. The emphasis on technology, on energy security, on the need for transfer of clean energy technologies, these are elements that we think are very important, if the world as a whole and if developing countries are to be enabled to deal with the consequences of climate change. But frankly, process issues I think have not been solved yet. From our point of view, the main forum in which the international community takes decisions is really in the UNFCCC context. That is where we have an agreed international legal framework under which the Kyoto Protocol was done. That is where we think we should be taking our joint decisions. But that is a process issue. I think the first on the substance itself there are several ideas on the table, some of which we like and some of which we might not like as much. But this is something that we have to talk through. Over the next few months I think you will see a whole series of meetings where different countries try and harmonize their views and see how to carry this forward.

Question: Is there any contradiction in India's statement? On the one hand President Bush's proposal is outside the UN. So, are you agreeing to going for a meeting outside the UN?

Foreign Secretary: I think we are ready to talk wherever. I do not think we are so worried about the process. What I am trying to say is that we will judge all these various processes, opportunities and so on, on the substance of what is agreed and what we all agreed to do. That is the important part.

We are quite happy to talk to people wherever, anywhere in the world, about our ideas because we have our own ideas too.

Question: Has the meeting between Prime Minister and President Bush been scheduled?

Foreign Secretary: As I said, the meetings in Heiligendamm of G-8 leaders will all be in the nature of pull-asides because we have to fit them into a fairly crowded schedule. So, they will step aside and spend a few minutes, ten-fifteen minutes. We will be doing that with all the leaders in the G-8 that he is meeting. There would not be a formal meeting at a table with delegations and that sort of the thing because of the nature of the situation.

Question: India is the fifth largest polluter in the world...

Foreign Secretary: Not true. We account for four per cent of global GHG missions and that is nothing. Anyway, go ahead.

Question: In light of various countries giving proposals and initiatives like the Chinese and the Japanese and the Americans, do you have any new ideas at this meeting?

Foreign secretary: You will see several new ideas and new approaches on our part as part of our own national development effort which means as we go through the Eleventh Plan finalisation process, I think you will see that in each of these sectors, whether it is energy, whether it is mass transport, whether it is housing, these are all sectors which have climate impacts as well. So, what we would like to do is to build this into our plans. What we can do maybe is over the next three or four days as we go through this process, through the Summit, I think we will brief you on the kind of ideas that we have for global approach towards climate change and what sort of things we think are essential.

Question: Can you tell me if you expect to discuss the nuclear issue with the United States and what progress you both have made?

Foreign Secretary: I do not think we expect to discuss the nuclear issue because this is not a bilateral negotiating forum. I think we have other forums where we do that. I am sure it will be mentioned in the conversation because it is a very important part in the relationship. So, when they talk about the relationship it will be mentioned. This is not a place where we expect to negotiate bilateral issues.



152. Statement by Prime Minister Dr. Manmohan Singh before his departure for Germany to attend the G-8 and Outreach Countries Summit.

New Delhi, June 6, 2007.

I am visiting Germany to attend the Summit Meeting of G8 and Outreach Countries (Brazil, China, India, Mexico and South Africa) being organised at Heiligendamm by the German G8 Presidency on June 8.

At the summit, I will have the opportunity to present India's viewpoint on the global issues that have been identified by the G8 for special focus including climate protection, energy efficiency, and the conclusion of the Doha round of talks. Our viewpoint, and the viewpoint of much of the developing world on these issues, is that while addressing them due care must be taken not to allow growth and development prospects in the developing world to be undermined or constrained.

At the summit, I will speak on issues related to climate change. I will emphasize the need not to lose sight of the fundamental and universally accepted principle of common but differentiated responsibility and respective capabilities between the developed and developing worlds. It is also a fact that more and not less development is the best way for developing countries to address themselves to the issue of preserving the environment and protecting the climate.

Prior to the meeting with leaders of the G8, the President of Mexico will host a meeting of leaders of the Outreach countries in Berlin on June 7, where we will discuss our positions on global issues that are of special relevance to the developing world.

On the sidelines of both these Summit Meetings, I will also have the opportunity to hold bilateral meetings with some of the leaders present, including Chancellor Merkel of Germany who is our host, other leaders of the G-8, and the leaders of China, Mexico, Nigeria as also the Secretary General of the United Nations.

I look forward to my visit to Germany, and I would like to thank Chancellor Merkel for her gracious invitation for India to join in an exchange of views with the G8 countries.



153. Joint Press Release issued after the meeting of O-5 leaders in Berlin.

Berlin, June 7, 2007.

The Heads of State and/or Government of Brazil, China, India, Mexico and South Africa held a meeting this afternoon in Berlin, Germany, at the invitation of Mexican President Felipe Calderon. The purpose of the meeting was to share perspectives and find convergences about the topics that they will discuss tomorrow in Heiligendamm during the outreach sessions of the G8 summit, as well as to exchange views on various significant international issues. The five countries also participated in the G8 Summits in Gleneagles (2005) and St Petersburg (2006).

President Luiz Inacio Lula da Silva of Brazil, President Hu Jintao of China, Prime Minister Manmohan Singh of India, President Felipe Calderon of Mexico and President Thabo Mbeki of South Africa reaffirmed their shared conviction that developing countries must participate more actively in the consolidation of strategies and initiatives that effectively address the challenges of a globalising and increasingly interdependent world. They agreed that their five countries, based on their undeniable political and economic strength, can make a decisive contribution to increase the participation of developing countries in this process.

Regarding the matters that will be discussed in Heiligendamm with the G8 countries, the leaders were pleased to note opportunities for joint collaboration in the fields of cross border investment, research and innovation, climate change, energy and development. The consensus view was that all of these challenges must be addressed from a multilateral, regional and bilateral perspective, taking into consideration the interests and capacities of the different States.

During their talks, the leaders also stated their ideas about certain topics of particular relevance to developing countries, such as global governance, international trade, bio-fuels, migration and South-South cooperation.

At the Berlin meeting, the Leaders shared views about the future of their participation in the Outreach Dialogue, and about the convenience of ensuring coordination and follow-up to the discussions among their five countries. They agree on having consultations on a regular basis on issues of common interest and to coordinate their positions. To this end they instructed their Foreign Ministers to meet on the margins of the next UN General Assembly.

The Heads of State and/or Government expressed their thanks to Chancellor Merkel for the invitation to participate at the G8 Heiligendamm Summit.

The leaders of the five countries have met before on the margins of the Gleneagles Summit at the invitation of President Mbeki of South Africa and the St. Petersburg Summit at the invitation of President Lula of Brazil¹.



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1. At a meeting of the five - Brazil, China, India, Mexico and South Africa - Brazilian President Luis Inacio Lula da Silva took the lead in proposing that the group consider getting together again at a forum other than that of the G8 so that its own meetings were no longer incidental to the meetings and agenda of the eight most industrialised countries. Media quoted Indian officials familiar with the deliberations on June 7 to say that the proposal was welcomed by the other leaders. China's President Hu Jintao noted that the five countries together accounted for 42 per cent of the world's population and Dr. Singh quoted an old statement of Jawaharlal Nehru that developing countries were partners and not petitioners before the chanceries of the world. Though an actual decision on what shape future interaction at the summit level should take has been deferred, the five agreed to instruct their Foreign Ministers to meet this fall on the sidelines of the U.N. General Assembly to "coordinate their positions" on issues of common interest. The idea is not to stop engaging with the G8 but to explore the full range of issues that the G5 can work on itself. The observers noted that the disarray noticeable in the G-8 ranks at Heiligendamm on issues ranging from climate change to arms control, prompted the latest initiative by the five countries - known by the acronym BICSAM. It was felt that the G8's failure underscored the fact that the international system was truly in a state of flux and that no single grouping of countries - even if they were the most powerful ones in economic terms - could presume to have a solution to the world's problems. While the BICSAM countries all contend with distinct economic and strategic circumstances and sometimes differ from each other on a number of issues, each has realised the importance of pulling together on a number of global problems. On climate change, the five spoke with one voice before the G8. The plan however, is to explore the possibility of other common positions on issues ranging from migration, the Doha 'development' round of the trade negotiations, and the reform of global institutions such as the U.N., the World Bank and the International Monetary Fund to better reflect the realities of today's world.

154. Joint Position Paper of Brazil, China, India, Mexico and South Africa participating in the G8 Heiligendamm Summit.

Berlin, June 8, 2007.

In the last decade, the world has experienced significant, although uneven, economic growth and a decisive contribution by developing countries. Globalization has played an important role as a dynamic force for growth. However, its impact has left us with a world beset by acute economic and social inequalities. The marginalization of a large number of developing countries, especially in Africa, calls for intensified international co-operative efforts, international policy coherence and co-ordination, and faithful implementation of the outcomes of major Summits, especially the Millennium Development Goals (MDGs).

2. Development is a right, central to people's progress and critical to the eradication of poverty, fostering peace, stability and security of all nations. The MDGs constitute an internationally agreed benchmark according to which we will measure our efforts to advance sustainable development and eradicate poverty. We are committed to working with our partners to advance the development agenda and the eradication of poverty. We believe that eradication of poverty in the world is not only an issue of importance to developing countries, but also a matter of our collective global interest.
3. We are meeting with the G8 to consider and assess critical matters of global importance at a time when there is optimism regarding the performance of the world economy. We are, therefore, concerned to ensure that the benefits of global growth are equitably distributed to make a meaningful impact on poverty eradication. In this context, in addition to the topics to be examined at the G8 Summit in Heiligendamm, we wish to call attention to matters of global governance, trade, migration, climate change and South-South co-operation, which constitute critical interventions in our efforts to eradicate poverty.
4. Achieving tangible progress on these matters hinges on the provision of adequate financial resources, effective policies and measures and enhanced international cooperation. Experience of the last two

decades with development policies has demonstrated that there can be no "one-size-fits-all" approach to development and that, strategies work effectively when tailored to the national circumstances.

5. We recognize that a supportive and an enabling global policy environment, based on principles of equality, mutual respect, equity and justice, constitute a positive framework for international co-operation.

Global Governance

6. We reiterate the need to make the structures of global governance more democratic, representative and legitimate by increasing the participation of developing countries in the decision-making bodies of multilateral institutions. This is in line with discussions held at the UN World Summit in 2005. Priority should be given to the reform of the United Nations and its Security Council to make them more responsive to the needs and interests of developing countries, as well as to enhance international peace and security. Reform of the international financial architecture, especially enhancing the voice and participation of developing countries in the Bretton Woods Institutions, is also necessary.
7. Strengthening democratic governance implies a permanent endeavor to combat corruption in all its forms and in all countries, developed and developing ones alike. It also requires that efforts to improve the quality of public sector management are coupled with measures to stimulate greater corporate responsibility, transparency and accountability. Partnership between public and private sectors in social areas might be especially fruitful to promote new and innovative ways to promote social inclusion to tackle poverty.
8. Terrorism cannot be justified on any ground. The efforts of the international community to fight terrorism should be strengthened and conducted in accordance with international law, in particular human rights law, refugee law and international humanitarian law, and should avoid double standards. We stress the importance to take urgent action to prevent and combat terrorism in all its forms and manifestations and to implement the Global Strategy of the United Nations against Terrorism. In this context, States should consider becoming parties without delay to the existing international conventions and protocols against terrorism, and implementing them,

and to make every effort to reach an agreement on and conclude the Comprehensive Convention on International Terrorism. Measures should be taken to pursue and reinforce development agendas and social inclusion to reduce youth unemployment and marginalisation so that they may not be exploited. We reaffirm our commitment to ensure the timely and full realisation of MDGs, to eradicate poverty and promote sustained economic growth, sustainable development and global prosperity for all.

9. Security and development are interlinked and mutually reinforcing. Poverty and underdevelopment greatly increase the risk of instability and violence. Similarly, conflicts and war undoubtedly set back development.
10. We stress the need to build a truly global partnership for development as set out in the 8th Millennium Development Goal, the Monterrey Consensus and the Johannesburg Plan of Implementation. These efforts should address the eradication of poverty and hunger as a top priority. In this respect, it is extremely important that countries maintain the ownership of their development strategies and that they are not abandoned on the grounds of institutional weakness.

International Trade

11. Global trade plays a relevant role in fostering economic development and fighting poverty. Nevertheless, international trade continues to face important barriers and distortions particularly in the agricultural sector, which affect the overall efforts of developing countries to enhance the well-being of their societies.
12. We consider necessary that the major trade partners reaffirm their commitments to achieve the necessary agreements, so as to conclude the negotiations of the Doha Development Agenda. The successful conclusion of this process with an outcome that meets the objectives embodied in the Doha mandate (the Doha Ministerial Declaration complemented by the July 2004 Framework and the Hong Kong Ministerial Declaration) will bring developing countries, and particularly to the least developed ones, newer and better benefits from globalization that will contribute to consolidate their economic development and to create the necessary domestic conditions that will help in the profound battle against hunger and poverty.

13. Brazil, China, India, Mexico and South Africa as members of the WTO Group of 20, share the belief that the cornerstone of the current negotiations is the agricultural sector, which is of utmost relevance for the well-being of our most vulnerable population. In particular, agreement has to be reached to eliminate trade distortions, especially those derived from the limited access to the developed countries markets as well as from the substantial and effective reductions in trade-distorting domestic support and other forms of internal support instrumented by the developed countries. Meaningful and operable special and differential treatment, which includes development instruments of Special Products and the Special Safeguard Mechanism are vital to address the concerns of developing countries with subsistence and low-income farmers. We are confident that any progress towards achieving these aforementioned goals will have a positive impact on the overall process of the Doha Round, in particular in the NAMA and services negotiations.
14. We underline that a more open world economy takes into account the promotion of financial flows, notably foreign direct investment, in a way that contributes to the sustainability of development, the transfer of avant-garde technology and the creation of decent employment, all of which are tools for the definitive fight against poverty.
15. We consider that it is time for the governments of the relevant developed members of the WTO to express their political will to push forward the negotiations.

International Migration

16. We acknowledge international migration as an important aspect of globalization today, which demands objective, comprehensive, balanced and multidimensional approaches.
17. We emphasize the need of a new holistic and long-term framework for international migration based on a deep and wide understanding of the phenomenon, its causes and consequences, and its relationship with development, human rights, and security.
18. A new culture on migration demands increased and effective cooperation between sending, transit and receiving States and abided by the following criteria: -

- a) Migrants, as human beings, should be at the center of any migratory programme or policy, including respect of their human rights, regardless of their migratory status and should be recognized as active contributors to development, as well as to the economic, cultural and social spheres in countries of origin and destination;
- b) Policies and initiatives on migration should promote holistic and long-term approaches that take into account the causes and consequences of the phenomenon, as well as the full respect of the human rights of migrants;
- c) In today's age of globalization, the importance of international labor mobility needs to be recognized on the same level as movement of goods and services. Negotiations under Mode 4 of GATS need to be speeded up. Labor markets, however, should not be the sole reference point in determining the kind and scope of migratory programmes or policies;
- d) Mutual benefit and mutual responsibility are fundamental to reach balanced responses.
- e) More and better coordination and cooperation between sending, transit and receiving States would lead to win-win situation for all;
- f) We need to promote positive elements of migration, especially to enhance its development benefits, while addressing the whole spectrum of challenges related to it, particularly those of irregular migration and its causes;
- g) Promotion of enabling conditions for the participation of migrants (Diaspora) in the development of their home countries;
- h) Strengthening responses to the particular needs of migrant women, through integration of a gender perspective in migration management policies and strategies;
- i) Combating trafficking and smuggling of migrants, including the falsification of documents, without criminalizing migrants based solely on their migratory status;
- j) Eliminating all forms of violence, racial discrimination,

xenophobia and other forms of intolerance, inhuman and degrading treatment against migrants and their families, through the promotion of culture and education that values diversity; and

- k)** Promoting collaborative programmes in partnership with multilateral organizations between and within the sending, transit and receiving countries for capacity building, training and for establishing best practices in reinforcing the benefits of international migration and development.
19. We urge G8 countries to incorporate the above mentioned principles in the discussions that take place in different international and regional fora in order to find durable and comprehensive solutions that emphasize the positive aspects and minimize the negative elements of this global phenomenon, particularly in the upcoming Global Forum on Migration and Development, which will be held in Brussels in July 2007. The countries should commit on making the Forum work as an instrument for reaching political consensus on matters regarding international migration.

Climate Change

20. Climate change is a global challenge with strong economic, environmental and social dimensions. It impacts all countries, but is particularly severe for developing countries, given their vulnerabilities, inadequate means and limited capacities to adapt to its effects. The recent reports of the IPCC have reaffirmed the need for urgent action. We believe that at this critical juncture we all should do more in accordance with our common but differentiated responsibilities and respective capabilities. We also believe that immediate and real effect must be given to commitments on international cooperation in fighting climate change, especially in the areas of adaptation, technology transfer, capacity building and the development of the carbon market. This cooperation should be framed by the need to address unsustainable patterns of production and consumption.
21. Climate change is a global phenomenon that requires an international response under the United Nations Framework Convention on Climate Change. Any new cooperative effort to tackle climate change should not undermine the UNFCCC and its Kyoto Protocol, but rather

complement these instruments. GHG mitigation in developed countries is key to address climate change given their responsibilities in causing it. Developed countries must take the lead by making further truly significant commitments at an early date for GHG reductions in the period beyond 2012. Early and significant commitments would give a long term and strong signal to the private sector, including in its involvement in climate related investments, and spur the carbon market. The Clean Development Mechanism's contribution to sustainable development and transfer of clean technologies to developing countries would also be enhanced significantly.

22. In order for developing countries to contribute to the efforts to address climate change, access to adequate technology is a key enabling condition. We need an agreement on transfer of technologies at affordable costs for accelerated mitigation efforts in developing countries, inter alia through increased use of renewable energy, including biofuels, and enhanced energy efficiency. Rewards for innovators needs to be balanced with common good for humankind. We also consider it necessary and important to enhance developing countries' capacities to deploy mitigation and adaptation technologies.
23. Many needed technologies based on resource endowments of developing countries (e.g. biomass, biofuels, clean coal) do not yet exist, or are too expensive. Collaborative R&D between developing and developed country R&D institutions can address this gap. Financing can be through a Venture Capital Fund, located in a multilateral financial institution, with the resulting IPRs being held by the Fund, and deployed at concessional cost in developing countries. Additionally, there could be collaborative R&D projects with sharing of IPRs by the partner R&D institutions.
24. Resources required for adaptation are of magnitude order as those for GHG mitigation. For this we should mobilize resources from the entire carbon market, as is being done on a small scale from the 2% levy on the CDM proceeds. These resources are separate from the provision of new and additional resources to tackle the challenges of adapting to the adverse effects of climate change. Diversion of ODA resources from economic growth and poverty alleviation in developing countries for adaptation is not the answer as development is a prerequisite for achieving effective adaptation.

South-South Cooperation

25. We reaffirm the role of South-South cooperation in the overall context of multilateralism, as a continuing process vital to confront the challenges faced by the South, in particular its role as an important tool crucial for fostering and strengthening the economic independence of developing countries and achieving development as one of the means of ensuring the equitable global economic order.
26. We welcome the continued efforts by developing countries in furthering South-South cooperation and its new dynamics as manifested by recent meetings and initiatives such as South America-Arab Summit, China-Africa Summit, the Puebla-Panama Plan, India-Brazil-South Africa (IBSA) Dialogue Forum, the New Africa-Asia Strategic Partnership (NAASP) and the Third Round of Negotiations of the Global System of Preferences among Developing Countries (GSTP).
27. We in order to expand both the strength and the scope of South-South cooperation, undertake the resolve to:
 - i) Enhance policy coordination and high-level dialogue. The common challenges shared by the developing countries are wide-ranging, inter alia, MDGs and international development cooperation, financing for development, market access in the global trading system, an enhanced voice and participation of developing countries in international financial institutions, fighting environmental degradation and infectious diseases. We need to work together to press for a favorable external environment and adequate policy space for development. In the field of South-South cooperation, we have both traditional mechanisms such as the G77 and new forms such as the dialogue among our five developing countries, all of which are playing a positive role in promoting South-South cooperation. We support all such arrangements;
 - ii) Enrich concrete cooperation in all fields. The growing strength of developing countries has created a wealth of opportunities for concrete South-South cooperation in such fields as trade, investment, S&T, infrastructure, health and education, etc. Efforts should be made to explore all forms of cooperation in all fields based on the principles of effectiveness, ownership, equality, complementarity and mutual-benefit; and

- iii) Implement and follow up on the outcomes of major conferences on South-South cooperation such as the Second South Summit held in Doha. We call for a stable and regular dialogue mechanism and necessary financial resources in this regard to make the South-South cooperation more meaningful and effective.
28. We call for financial and institutional support from the international community for South-South cooperation including in the form of triangular cooperation.
29. We reiterate that South-South cooperation is complementary to and not a substitute for North-South cooperation. We welcome the convocation of the G8 Heiligendamm outreach session, which we hope will help further strengthen North-South cooperation.



155. Joint Statement by the German G8-Presidency and the Heads of State and/or Government of Brazil, China, India, Mexico and South Africa on the occasion of the G8 Summit in Heiligendamm.

Berlin, June 8, 2007.

Today's purposeful discussions between the G8 and Brazil, China, India, Mexico and South Africa mark an important step towards an equal and enduring partnership for building the framework conditions of a globalized and competitive world economy. In a globalizing world, we have to look beyond national and regional boundaries and work together.

Towards this endeavour, we commit to cooperate in the following fields:

- Promoting Cross Border Investment to our Mutual Benefit:

We recognize that cross-border direct investment is a major factor shaping the world's economy. Such inflows can make a major positive contribution to economic growth and sustainable development. We share a common interest in promoting investment and to safeguard and further develop a sound global investment environment. To this end, we shall work together to promote more favourable conditions in our countries for investment, both domestic and foreign, with the aim of fostering economic growth and

sustainable development. This may also include the encouragement of responsible business conduct.

- Promoting Research and Innovation:

Strategies to encourage and support research and innovation are key elements for future sustainable development of our economies. In this context, we underline the importance of integrating the promotion and protection of innovation in our national policies and legislation. We encourage a positive exchange of views on international experiences related to the crucial role and economic value of intellectual property rights (IPR) protection and implementation of agreed international IPR protection standards. In this exchange we also need to consider the protection of IPRs in conjunction with common good of human kind for the purposes of protecting the environment and supporting public health. In this regard, we recall the Doha Declaration on the TRIPs Agreement and public health. We affirm our commitment for further cooperation in capacity building, human resource development and public awareness programmes in the field of intellectual property.

Fighting Climate Change:

We face serious challenges in tackling climate change and achieving sustainable development globally. We reaffirm our commitment to the United Nations Framework Convention on Climate Change (UNFCCC) and to its objective through both mitigation and adaptation in accordance with our common but differentiated responsibilities and respective capabilities. On this basis and taking into account the scientific knowledge as represented in the recent IPCC reports, we remain committed to contribute our fair share to tackle climate change in order to stabilize green house gas concentrations at a level that would prevent dangerous anthropogenic interference with the climate system. To this end we need a flexible, fair and effective global framework and concerted international action. We underline the crucial role of economic incentives, in particular by carbon markets, for the necessary investments in climate friendly technologies at large scale. The adaptation to climate change will be a major challenge for all countries, in particular for developing countries , and means for adaptation need to be included in a future agreement along with enhanced technology cooperation and financing. We call on all parties to actively and constructively participate in the negotiations on a comprehensive agreement at the UNFCCC Conference in Indonesia in December 2007.

Energy:

We recognise the need for closer, more practical and result-oriented regional and international cooperation in the energy sector, especially in ensuring secure and affordable supplies of energy as well as in improving energy efficiency and the access to advanced and affordable energy technologies. We confirm our commitment to promote energy efficiency, through cost-effective solutions, to advance the effective use of fossil fuels, such as the clean coal technology, and to increase the use of cleaner and renewable energy sources, such as biofuels and biomass, as an important step towards secure, stable and competitive energy supplies for achieving sustainable development.

Development, particularly in Africa:

We reiterate our commitment to the Millennium Development Goals (MDGs), the eradication of poverty and sustainable global development. In view of our responsibility regarding the challenges of development we shall strengthen cooperation and coordination between us to achieve these goals.

We commit to embark on a high-level dialogue on specific challenges as proposed by the G8 (Heiligendamm Process) as a follow up to continue our discussion in a more structured manner for a period of two years until the G8 Summit in 2009 where we will review the progress made on the following issues: Promoting cross border investment to our mutual benefit, Promoting Research and Innovation, Development, particularly Africa, and Sharing Knowledge for improving Energy Efficiency.



INDIA-BRAZIL-SOUTH AFRICA (IBSA)

156. Briefing by Official Spokesperson on Fourth IBSA Ministerial Level Trilateral Commission Meeting.

New Delhi, July 16, 2007.

Official Spokesperson: Good afternoon and welcome..... Essentially, I wanted to give you a heads up on the 4th IBSA Ministerial Level Trilateral Commission Meeting which is being held tomorrow. The Indian delegation will be led by External Affairs Ministry Shri Pranab Mukherjee. His counterparts are - from Brazil Mr. Celso Amorim, the Foreign Minister; and from South Africa Ms Nkosazana Dlamini-Zuma, the Foreign Minister. The IBSA Focal Points have already met on 13th of July, and for that the Indian delegation was led by Shri Nalin Suri, Secretary (West). The last such Trilateral Commission meeting was held in Rio de Janeiro in Brazil in March, 2006.

You are all familiar with IBSA. To recap, IBSA is a unique forum for cooperation amongst three countries that have large democracies and are active on the global scale. They have multi-cultural societies and represent three different regions of the developing world. In essence, they also have a preeminent status in their respective regions. They constitute together 1.3 billion people, and a combine economy of 1.26 trillion US dollars. Intra-IBSA trade target of 10 billion dollars we expect to achieve this year itself.

In terms of the areas of cooperation, thirteen areas have been identified for sectoral cooperation. These are: transport, health, education, defence, information society, science and technology, trade and investment, tourism, culture, agriculture, energy, social issues and public administration.

Tomorrow we will brief you after the meeting. There will be a Joint Press Conference held by the three Ministers just before lunch. We expect that the Foreign Ministers would review the progress that IBSA has made since the first landmark IBSA Summit in Brazil in September 2006, and would also provide a direction for its future functioning, in particular to prepare for the second IBSA Summit which is expected to be held in South Africa later this year. I have more details but I think we will get much more tomorrow.

Question: This is on the IBSA meeting. Both Brazil and South Africa are members of Nuclear Supplier Group. EAM had bilateral meetings with his Brazilian and South African counterparts today. Did they give an assurance that they will support India at the NSG meeting?

Official Spokesperson: The fact is that I do not have a read-out from the meetings. I am not even sure that both have already taken place. I think they are supposed to be this evening. It is a fair question. But I think you should address it tomorrow to the Joint Press Conference. Yes, they are both members of the NSG. I think it is a fair question that you can raise tomorrow. Let the meetings take place.



157. Joint Press Conference by Foreign Ministers of India, Brazil and South Africa following the 4th IBSA Trilateral Commission Meeting.

New Delhi, July 17, 2007.

Shri Pranab Mukherjee (External Affairs Minister): Your Excellency Mr. Celso Amorim, Minister of External Relations of Brazil; Your Excellency Dr Nkosazana Dlamini-Zuma, Minister of Foreign Affairs of South Africa; Distinguished delegates; Ladies and Gentleman:

We have just concluded our very fruitful and productive deliberations of the 4th IBSA Trilateral Commission meeting.

As you know, IBSA is a unique forum that brings together three large democracies from three different continents facing common challenges. It was just three years ago that the First IBSA Trilateral Commission meeting was held here in Delhi in 2004. In this period, we have identified several areas of cooperation and have been working towards enhancing cooperation in areas such as S&T, education, agriculture, energy, culture, health, social issues, public administration and revenue administration. Several IBSA Working Groups have recently held their meetings. Today we have agreed on a forward looking and substantive agenda of cooperation in the IBSA framework in sectors which are of particular interest to our three countries. We also had a valuable exchange of views on regional and international issues.

I am happy to mention that the trade target of US \$ 10 billion amongst our three countries by 2007 is expected to be achieved. It will be our endeavour to further increase trade and investment flows amongst us.

India has a strategic partnership with both Brazil and South Africa. We value these partnerships and are determined to add significant content to

them in the years to come. We are looking at new areas of cooperation and also strengthening existing areas of cooperation keeping in view each other's needs and strengths.

As IBSA evolves, I am confident, it will acquire new dimensions. It will be our endeavour to see that IBSA moves to a yet higher level of cooperation, beneficial to our three countries. This will make IBSA an outstanding example of South-South Cooperation.

I am happy to announce that the Second IBSA Summit will be held in South Africa later this year. I would like to thank His Excellency Mr. Amorim and Her Excellency Dr. Zuma for attending the 4th IBSA Trilateral Commission meeting.

Thank you.

Mr. Celso Amorim (Minister of External Relations of Brazil: Thank you very much Minister Mukherjee. I am very glad to be here with my good friend Nkosazana Zuma, Minister of Foreign Relations of South Africa. I do not think I have much to add to what Minister Mukherjee has said. Actually I was writing down the words and the words that I was writing down were exactly the ones that he pronounced.

It is a unique forum of three large multicultural democracies. If I am repeating them it is because it is really unique that this forum is acquiring its own personality, in a way its own identity. It is an evolving process, but it is a process that is going rather fast I would say that the cooperation that we have already achieved is reflected in the communiqué which has a hundred points. It in itself is quite an adventure to be able to agree on a hundred points for any three countries in the world.

The important areas that involve our own cooperation are, as mentioned, connectivity, health, science and technology, culture, and bio-fuels and also our views on global issues that go from Security Council reform to the World Trade Organisation. I think these are indeed very important points.

I would also mention the fact that we are now becoming more conscious of developing people-to-people relationship. I think this will be reflected in probably some meetings of parliamentarians, civil society and also going into other areas - like Minister Zuma suggested - like sports for instance. I think there are also some other points that we would like to develop further. I think these would certainly include defence among others and defence technology which is of great interest.

When you look at IBSA and when you look at the three countries, their intrinsic characteristics were already signaled here. But when you look also at the geographic position of each country, you see that there is a natural strategic alliance between the three of them. I would on my part say - just to complement, and this is not in the document - that we have a challenge probably of being able to bring our mutual trade to something around 15 billion dollars by 2007. Brazil and India have already agreed that we will have to have 10 billion dollars of trade by 2010. So, it will be more than natural that we have 15 billion dollars trade and probably even more in the trilateral trade among our countries. A lot will depend, as was said, on connectivity, air connections and maritime transport.

Two final points if I may. First is the importance of MERCOSUR-SACU- (Trilateral) India Free Trade Agreement. That we should work on, and continue to work on. Of course, it depends on other countries. They are all sovereign countries. We cannot decide for them. We cannot inspire. Certainly there is very good reception for that in MERCOSUR. If we are able to create this economic space between India, SACU and MERCOSUR, we will probably be creating the largest economic space in the developing world. I think this will again be a big contribution for a multi-polar world which is the world that we want to see.

I think IBSA should also be seen as an element that creates synergy for other forms of South-South cooperation. I think this is very important. We do not look at ourselves as an exclusive group. Of course, we want to reinforce our identity because we do believe that if IBSA progresses, that will be a good example for other forms of South-South cooperation. I am sure that once some of the projects that we have in common are consolidated, they can be opened to other countries. Indeed, I think one important aspect of IBSA has already been to cooperate with poorer countries. I think it is a fact that although we are still developing countries, to a large extent still poor countries, but as we have been saying, President Lula has always said, that being poor does not mean that you cannot show solidarity. So, we have been trying to show solidarity to countries that are needier than we are.

I will once again thank for the opportunity to be in India. This is my third visit to India in three months. I do not know when will be the fourth. Maybe we will have some other meeting of some other forum in the month of August or September. In any case, I am very happy and I am looking very much forward to the meeting in South Africa. President Lula, President Mbeki and Prime Minister Singh will be together there.

Thank you very much.

Ms. Nkosazana Dlamini-Zuma (Minister of Foreign Affairs of South Africa): Thank you very much to my two colleagues. They have covered most of the issues that need to be covered except that to emphasize that IBSA indeed is a unique form of cooperation in the way that it is experimental, it is a pilot, and it has not been done before. It is formed of three countries across three continents, countries that whose shores are washed by two big oceans. It is a very important and unique cooperation. Indeed, in the coming years we have to see to it that it develops into a model of South-South cooperation that can be copied, its experience can be used, by others. It is something very important and unique.

For it to succeed, we have to be able to move people and goods across the three continents, across the three countries. Therefore, I would like to emphasize the question of connectivity, both in terms of telecommunication and also in terms of transport, both maritime and air. It is something that we have to work on to make sure that we can reach each others' capitals and each others' countries quickly and in the most direct way.

I think we should look more at trade and having joint ventures. We need to look at what would need to be done to make sure that we do have successful joint ventures. The three of our countries are the countries that are known for mega-diversity. We have to see the advantage that we can get out of that in terms of tourism, in terms of making sure that we also participate and cooperate in issues that have to do with sustainable development.

Brazil hosted the Second Sustainable Development Conference in Rio. We did it in Johannesburg. Maybe one day India will host another one. But in any case we are really mega-diversity countries and we must also cooperate in preserving that mega-diversity. In the international fora we are already cooperating. I think we can do more in contributing to the evolution of many areas that is taking place in the world - in reforms ... (inaudible)... in trade talks. I think we should keep together wherever we find ourselves. There should not be a forum where we are apart. Wherever we are, we must keep together and work together. What makes us unique is also that we do have very convergent views on many issues that the world is grappling with. So, that makes it easy for us to keep together.

Lastly, just to emphasize, people-to-people relations are very important. Parliamentarians, tourism, of course, business is an anchor of this

relationship. But we come and go and people always remain. If there is a strong bond amongst our people, this ensures sustainability.

Thank you.

Question (Mr. Ramesh Bhan, UNI): During the bilateral meetings with the two Foreign Ministers, did you talk about civilian nuclear cooperation, energy cooperation? Was there any discussion on Indo-US Nuclear Agreement, on whether there will be support from these two countries in the NSG?

Shri Pranab Mukherjee: Already we have some expanding relationship on the energy sector between India and Brazil. Also especially in the hydrocarbons area of energy, you are aware that ONGC has allocated 30 per cent of the shares on Krishna-Kaveri Basin. ONGC Videsh Nigam Limited has already received three offshore blocks in Brazil and also we are bidding for more. Energy is an area where we are working on. Apart from that, we have received cooperation from South Africa in advancing our case in the NSG for nuclear energy. Energy is one of the important priority areas identified on which the working group has made recommendations. We have referred it to the Ministerial Communiqué. I am quite confident that this is one of the subjects which will be discussed at the Summit level. Thank you.

Question (Mr. Ranjeet Kumar, *Navbharat Times*): During G-8 Summit in Germany, President Lula proposed setting up of a separate forum for five Outreach countries. Since three of those outreach countries are present here, I would like to know the views of all the three in this regard. What is the progress in setting up that forum?

Shri Pranab Mukherjee: Who is this question addressed to?

Question (Mr. Ranjeet Kumar, *Nav Bharat Times*): I would like to know the views of all the three since you are all members of that Outreach group.

Shri Pranab Mukherjee: I will leave it to Mr. Amorim to respond.

Mr. Celso Amorim: I think the forum in practice is already constituted because it has been already...(inaudible)... a tradition because it is only three times. But it has been the tradition already that the five countries meet before the meet with the G-8. What became clear now is that it is necessary maybe to have even further coordination. This is even more necessary when we think that one of the agreements that we came to in

the last meeting, in Heiligendamm was the structured dialogue. We have not yet as far as I know - maybe the senior officials have already - have fixed a date. But this will have to take place so that the G-5 come there with coordinated positions for this structured dialogue. That will help them to have more meaningful results in the G-8 plus 5. Honestly, in my opinion, the G-8 plus 5 has some time to become G-13 or something of the sort. As long as we do not have that, we have to have a good coordinating position. Again, here I think the fact that we have IBSA there is already a synergy because we are discussing many of the subjects among ourselves. So, it facilitates the further dialogue that we have with other countries.

Shri Pranab Mukherjee: I agree with my colleague but I would just like to add to it. I do hope that before the future Summits it will be possible for us to have more coordinated presentations from these five countries. As my colleague Mr. Amorim has pointed out, many of these issues we are discussing among ourselves. We are evolving identical positions, common positions, on many of these issues. So, it would not be difficult to bring about an agreed common position before the next Summit.

Ms. Nkosazana Dlamini-Zuma: I think we all agree that we have to coordinate. I think the Foreign Minister of Mexico actually was trying to do this already. I know last year the Foreign Ministers of the five met on the margins of the UN of the G-8. I think it is very important because we are interacting with the G-8. We are five developing countries, but we cannot bring five different views. We have to synchronise our views on all the issues. But, of course, what President Lula has coined, if I understood it well, was that why do we only have to meet just because we are meeting the G-8. We can also meet, not just because we are meeting in the G-8. So, I think the point was taken and I am sure that coordination will be done.

Question (Mr. Manish Chand, IANS): Does IBSA have a common position on reform of the Security Council? This question is directed to the South African Foreign Minister. Is there any hope of reconciliation between the G-4 and African Union's position on expansion of the Security Council?

Ms. Nkosazana Dlamini-Zuma: I think the big countries have the same approach to the reform of the Security Council - to be more representative, to be more democratic. We also agree that it has to be expanded and the expansion should be both in permanent and non-permanent categories. If we look at the African position, the major difference is around the

question of the veto. The rest is more or less the same. Africa's view is that the veto must be abolished. If it is not abolished, all permanent members must stay it. But this is Africa's position. The G-4 has its position. I think once there is a negotiating forum at the UN, each group will put its position forward and negotiations will start. Then negotiations by definition about giving and taking and eventually coming to a common position will happen. I do not see the G-4 position as the position that will eventually have to be the position that all of us take. Nor do I see the African position as the position that must be the outcome after negotiations. The outcome will be somewhere in between.

Question (Mr. Srinjoy Chowdhury, *Times Now*): Question for EAM. Sir, both South Africa and Brazil are members of the NSG and the NSG will come into play once the nuke deal is through. Talks are going on just now. Did you discuss the deal with these two very important countries of the NSG? Secondly, are you optimistic about the current talks in Washington DC?

Shri Pranab Mukherjee: Of course, we are having cooperation from Brazil and South Africa in the NSG and we are discussing. But as you know, unless 123 agreement is finalized, NSG cannot formulate its position, as it will have to be India-specific. So, one will have to follow the other. But as I mentioned earlier, energy is an area where we are cooperating, particularly in the area of non-conventional energy where Brazil is having a leading role. President Lula has emphasized on bio-diesel also, not only on bio-fuels like ethanol in which they have developed their expertise by mixing 20 to 25 per cent of ethanol in their hydrocarbons. Even bio-diesel is being emphasized. These are the areas which IBSA is emphasizing on.



158. New Delhi Ministerial Communiqué 2007 of India-Brazil-South Africa (IBSA) Dialogue Forum.

New Delhi, July 17, 2007.

1. The Minister of External Affairs of India, H.E. Mr. Pranab Mukherjee, the Minister of External Relations of Brazil, H.E. Mr. Celso Amorim, and the Minister of Foreign Affairs of South Africa, H.E. Dr. Nkosazana Dlamini-Zuma, met in New Delhi on 17 July 2007 for the Fourth Meeting of the Trilateral Commission of the IBSA Dialogue Forum.
2. The Ministers reaffirmed the IBSA Dialogue as an important mechanism for political consultations and coordination on important regional and global developments. The Ministers reconfirmed their determination to play a constructive role in international affairs and to maintain friendly relations with all countries. The Ministers called for enhancing socio-economic cooperation in various sectors among India, Brazil and South Africa, inter alia, by implementation of decisions taken earlier.

GLOBAL ISSUES

GLOBAL GOVERNANCE

3. The Ministers stressed the need to make the structures of global governance more democratic, representative and legitimate by increasing the participation of developing countries in the decision-making bodies of multilateral institutions.
4. The Ministers reiterated their continued support for the reform of the United Nations to make it more democratic and responsive to the priorities of its Member States, particularly those of developing countries that constitute the vast majority of its membership.
5. The Ministers emphasized that the Security Council must, in its composition, represent contemporary realities and not those of the year 1945. Keeping in view that the decisions of the Security Council should serve the interests of the larger United Nations Membership, the Ministers emphasized the need for the urgent reform of the Security Council that would include its expansion in both categories of membership, permanent and non-permanent, in order to render it more democratic, legitimate, representative and responsive.

6. Towards this end, the representation of developing countries from Africa, Asia and Latin America, as permanent members of the Security Council, is essential. The Ministers reaffirmed their commitment to continue to jointly pursue a decision on the Security Council expansion. In this regard, they noted the ongoing efforts at the United Nations. This commitment will be pursued on an urgent basis, with a view to achieving concrete results by the end of the 61st UN General Assembly.
7. The Ministers welcomed the operationalisation of the Peace Building Commission in June 2006 and the Peace Building Fund in October 2006. The Ministers noted with satisfaction the Peace Building Commission's efforts to provide medium and long-term peace consolidation advice to countries emerging from conflict situations, as well as funding from the Peace Building Fund for peace consolidation projects. With the cases of Sierra Leone and Burundi being examined by the Peace Building Commission in their country - specific configurations, the Peace Building Commission has produced satisfactory results. However, in the year ahead, the Ministers noted the need for the Peace Building Commission to work towards more practical and concrete outcomes from its efforts to promote peace consolidation. In this context, as members of the current Organizational Committee of the Peace Building Commission, the Ministers reaffirmed their commitment to promote further concrete outcomes from the Peace Building Commission in the year ahead.
8. The Ministers also expressed satisfaction on the first year of the functioning of the Human Rights Council, created as part of the UN reform process in 2006, and expressed their commitment to ensuring that it fulfils the expectations of the international community. Following the establishment of the Peace Building Commission and the Human Rights Council, the UN reform process must now concentrate on reform of the Security Council.
9. The Ministers recommitted their respective delegations to the UN and its specialised agencies, as well as other multilateral bodies, to remain in close contact with each other and to consult on all issues of significance.
10. The Ministers stressed the necessity of reforming the International Financial Architecture, specially by enhancing the voice and participation of developing countries in the Bretton Woods institutions

and expressed concern at the slow rate of progress that has been achieved so far.

MILLENNIUM DEVELOPMENT GOALS

11. The Ministers stressed that achievement of the Millennium Development Goals (MDGs) as part of global efforts to eradicate poverty and hunger, required international support. The Ministers noted with concern that commitments undertaken by developed countries for increase in Official Development Assistance (ODA) have not been fulfilled. The Ministers further stressed the need by developed countries to liberalize trade and eliminate subsidies on products of interest to developing countries. The Ministers also reiterated the importance of capacity building and equity and transparency in international economic relations for developing countries to achieve the MDGs, especially sub-Saharan Africa. The Ministers underscored their agreement to work together to eradicate poverty and promote sustained economic growth, sustainable development and global prosperity for all.

INTERNATIONAL TRADE

Proposed MERCOSUR-India-SACU Trilateral Free Trade Area

12. With reference to paragraph 45¹ of the First IBSA Summit Meeting Joint Declaration (Brasilia, 13 September 2006), the Ministers reaffirmed their commitment to implementing the determination of the Heads of State and Government concerning the expeditious

1. The reference is to para 16 of the Brasilia Communique of September 13, 2006 (Please see text in Document No. 53 page 377 of "India's Foreign Relations - 2006 - Documents: edited by Avtar Singh Bhasin). In an interview with the Hindu on July 16, the Brazilian Foreign Minister Celso Amorim repeated the proposal and added for this purpose the South African Customs Union (SACU) and hoped that the next Summit of the IBSA take it up for consideration. He said that the larger grouping would be in a better position to face the North in a creative competition. Describing IBSA as a creative attempt to energise South-South cooperation, Mr. Amorim acknowledged that the three countries had only so far "scratched the surface" in terms of mutual cooperation and blamed the "closed bureaucratic and entrepreneurial practices" for the slow pace, especially when it came to the formation of joint ventures. He said it was no longer possible for the rich countries to negotiate among themselves and present a "readymade solution" to the developing countries. To a question about the possibility of bilateral nuclear cooperation between Brazil and India including the fuel cycle once the Nuclear Suppliers Group alters its guidelines, Mr. Amorim said he did not foresee any problem so long as there was an effective safeguards agreement.

establishment of the Working Group to focus on the modalities for the envisaged India-MERCOSUR-SACU Trilateral Free Trade Agreement (T-FTA). In this regard, India, South Africa and Brazil support the establishment of the Working Group no later than early September 2007. As members of SACU and MERCOSUR, respectively, South Africa will work with its partners in SACU, and Brazil will work with MERCOSUR's pro-tempore President with a view to setting a date and place for the first meeting of the Working Group.

13. The Ministers noted that while global trade plays an important role in fostering economic development and fighting poverty, it continues to face important barriers and distortions particularly in the agricultural sector, which affect the overall efforts of developing countries to enhance the well-being of their societies.
14. The Ministers urged the WTO members to reaffirm their commitments to achieve the necessary agreements, so as to conclude the negotiations of the Doha Development Agenda. The Ministers expressed the view that Brazil, India and South Africa as members of the WTO Group of 20, share the belief that the cornerstone of the current negotiations is the agricultural sector, which is of utmost relevance for the well-being of our most vulnerable populations. In particular, agreement has to be reached to eliminate trade distortions, especially those limiting access to the developed countries' markets, including domestic support and other forms of internal support instrumented by the developed countries. Meaningful and operable special and differential treatment, which includes development instruments of Special Products and the Special Safeguard Mechanism are vital to address the concerns of developing countries with subsistence and low-income farmers. The Ministers emphasized that any progress towards achieving these aforementioned goals will have a positive impact on the overall process of the Doha Round, in particular in the NAMA and services negotiations.
15. The Ministers noted that an effective Aid for Trade programme will enhance growth prospects and reduce poverty in developing countries. As this requires substantial, additional, targeted resources for trade-related programmes and projects, the Ministers urged developed countries to leverage their aid for infrastructural development so that developing countries, particularly LDCs, could benefit from the present level of market access available to them.

16. The Ministers underlined that a more open world economy takes into account the promotion of financial flows, notably foreign direct investment, in a way that contributes to the sustainability of development, the transfer of avant-garde technology and the creation of decent employment, all of which are tools for the definitive fight against poverty.

CLIMATE CHANGE

17. The Ministers noted that climate change is a global challenge with strong economic, environmental and social dimensions. It impacts all countries, but is particularly severe for developing countries, given their vulnerabilities, inadequate means and limited capacities to adapt to its effects. The recent reports of the IPCC have reaffirmed the need for urgent action. The Ministers reaffirmed that at this critical juncture all countries should do more in accordance with their common but differentiated responsibilities and respective capabilities. The Ministers also urged that immediate and real effect must be given to commitments on international cooperation in fighting climate change, especially in the areas of adaptation, technology transfer, capacity building and the development of the carbon market. This cooperation should be framed by the need to address unsustainable patterns of production and consumption.
18. The Ministers underlined that climate change is a global phenomenon that requires an international response under the United Nations Framework Convention on Climate Change. Any new cooperative effort to tackle climate change should not undermine the UNFCCC and its Kyoto Protocol, but rather complement these instruments. GHG mitigation in developed countries is key to address climate change given their responsibilities in causing it. Developed countries must take the lead by making further truly significant commitments at an early date for GHG reductions in the period beyond 2012. Early and significant commitments would give a long-term and strong signal to the private sector, including in its involvement in climate related investments, and spur the carbon market. The Clean Development Mechanism's contribution to sustainable development and transfer of clean technologies to developing countries would also be enhanced significantly.
19. The Ministers agreed that in the energy sector lies a strategic opportunity for the IBSA partners to engage in a pioneer and fruitful

dialogue among developing countries with a view to strengthen coordination regarding cross-cutting issues such as poverty eradication, climate change, energy security and South-South cooperation.

20. The Ministers expressed their satisfaction with the successful launching of the International Biofuels Forum which took place on 2 March 2007 in New York and reaffirmed the importance of the efforts being made in the context of the initiative to promote the establishment of an international market for biofuels.
21. The Ministers welcomed the forthcoming realization of the Biofuels International Conference to be held in Brazil, in July 2008, to discuss how to enhance international cooperation to promote the production and use of biofuels in the global level. The Ministers mentioned the contribution of biofuels as a cost-effective and immediate measure to address climate change accessible to developing countries.
22. The Ministers stressed that in order for developing countries to contribute to the efforts to address climate change, access to adequate technology is a key enabling condition. The Ministers expressed that there was need for an agreement on transfer of technologies at affordable costs for accelerated mitigation efforts in developing countries, inter alia through increased use of renewable energy, including biofuels, and enhanced energy efficiency. Rewards for innovators need to be balanced with common good for humankind. It is also necessary and important to enhance developing countries' capacities to deploy mitigation and adaptation technologies.
23. The Ministers also expressed their commitment to the trilateral work in biofuels and urged the Trilateral Task Team on Biofuels to deepen the discussions aimed at expanding the cooperation of the partners in this field, undertaking joint research on development, production of biofuels and engine redesign so as to enlarge their applications and reduce cost of deployment.
24. The Ministers noted that many needed technologies based on resource endowments of developing countries (e.g. biomass, biofuels, clean coal) do not yet exist, or are too expensive. Collaborative R&D between developing and developed country R&D institutions can address this gap. Financing can be through a venture capital fund, located in multilateral financial institutions, with the

resulting IPRs being held by the fund, and deployed at concessional cost in developing countries. Additionally, there could be collaborative R&D projects with sharing of IPRs by the partner R&D institutions.

25. The Ministers also noted that resources required for adaptation are of the same order of magnitude as those for GHG mitigation. For this, resources from the entire carbon market, as is being done on a small scale from the 2% levy on the CDM proceeds should be mobilized. These resources are separate from the provision of new and additional resources to tackle the challenges of adapting to the adverse effects of climate change. The Ministers underlined that diversion of ODA resources from economic growth and poverty alleviation in developing countries for adaptation is not the answer as development is a prerequisite for achieving effective adaptation.

INTELLECTUAL PROPERTY

26. The Ministers underscored the importance and welcomed the continued discussions on the establishment of a "Development Agenda for WIPO". The Ministers also emphasized the need for early conclusion of the discussions and incorporation of development dimensions in the work programs of WIPO.
27. The Ministers also reaffirmed the need to reach a solution to the problem arising out of granting of intellectual property rights on biological resources and/or associated traditional knowledge, without due compliance with relevant provisions of the Convention on Biological Diversity. In this regard, the Ministers highlighted with great appreciation the presentation in the WTO of the proposal co-sponsored, among others, by the three IBSA countries to amend the TRIPS Agreement by introducing a mandatory requirement for the disclosure of origin of biological resources and/or associated traditional knowledge used in inventions for which applications for intellectual property rights are filed. The Ministers also reaffirmed their support for the principle of prior informed consent and equitable benefit sharing.
28. In the context of continued increase in the grant of patents on bio-resources and traditional knowledge and also registration of trade marks, the Ministers resolved to further co-operate and intensify their efforts in resolution of these issues.

29. The Ministers reaffirmed the understanding enshrined in the Doha Declaration that the TRIPS Agreement does not and should not prevent Members from taking measures to protect public health and that accordingly each member has the right to grant compulsory licences and the freedom to determine the grounds upon which such licences are granted.

BIODIVERSITY ISSUES

30. The Ministers noted with appreciation the decisions of the Eighth Conference of the Parties (CoP-8) to the Convention on Biological Diversity (CBD) held in Curitiba, Brazil, in March 2006, to complete negotiations of the International Regime (IR) on Access and Benefit Sharing (ABS) by 2010, and to hold two negotiation meetings of the ABS Working Group prior to CoP-9 to be held in May 2008.
31. India, Brazil and South Africa, as founding members of the Group of Like Minded Megadiverse Countries (LMMCs), agreed to strengthen cooperation and coordination in fostering activities related to South-South cooperation, with emphasis on multilateral negotiations, in particular for ensuring timely, and successful conclusion of the IR on ABS.

SOUTH-SOUTH COOPERATION

32. The Ministers reaffirmed the role of South-South cooperation as a continuing process vital to confront the challenges faced by the South, in particular its role as an important tool crucial for fostering and strengthening the economic independence of developing countries and achieving development as one of the means of ensuring the equitable global economic order.
33. The Ministers recognized that South-South cooperation has created a stronger collective voice for the countries of the South in the international arena. South-South cooperation has become an integral part of the relations among the developing countries and an important means of promoting the exchange of ideas, experience, knowledge, technical advances, skills and expertise across a broad range of sectors.
34. In order to expand both the strength and the scope of South-South cooperation, the Ministers resolved to enhance their policy

coordination and high-level dialogue on the common challenges faced by developing countries, such as MDGs and international development cooperation, financing for development, market access in the global trading system, fighting environmental degradation and infectious diseases. The Ministers further agreed to enhance South-South cooperation in wide ranging fields, inter alia, trade and investment, S&T, infrastructure, health and education.

35. The Ministers urged the international community to provide financial and institutional support for South-South cooperation. The Ministers reaffirmed that South-South cooperation is complementary to and not a substitute for North-South cooperation.

SUSTAINABLE DEVELOPMENT

36. The Ministers reaffirmed their shared commitment on eradication of poverty through sustainable development. The Ministers highlighted the importance of implementing the principles adopted in the Rio Declaration and the Johannesburg Plan of Implementation of the World Summit on Sustainable Development, particularly the principle of common but differentiated responsibilities. The Ministers underlined that binding targets for developing countries were inappropriate. Instead, the focus should be on compliance of targets accepted by developed countries.
37. The Ministers stressed that capacity building is a key component for ensuring sustainable development globally. The Ministers highlighted the importance of new and additional financial resources and effective transfer of environment-friendly technologies at affordable prices to developing countries for achieving this goal. In this context, the Ministers noted with concern the failure of the donor countries to meet their commitments of Official Development Assistance targets to developing countries, and urged them to fulfill their commitments.
38. The Ministers reaffirmed the importance of conservation, protection and sustainable use of genetic resources. They highlighted the need to adopt an international regime to protect and safeguard the equitable sharing of benefits arising from the use of genetic resources and traditional knowledge. In this context, the Ministers urged the international community to make all efforts to conclude the negotiation process for such an international regime, within the framework of the Convention on Biological Diversity, by 2010.

39. The Ministers noted the decision of the 11th Session of the Commission on Sustainable Development regarding the multi-year framework and the fact that the 2008-09 cycle will deal with the thematic areas of agriculture, rural development, land, draught and desertification.
40. The Ministers noted the increasingly important work of the International Seabed Authority as well as the increasing commercial interests in deep seabed mining and reaffirmed their commitment to the universalization of the United Nations Convention on the Law of the Sea (UNCLOS) and the Agreement relating to the implementation of Part XI of the UNCLOS. The Ministers also reaffirmed that all activities affecting the area should be conducted for the benefit of mankind as a whole on the basis of relevant principles governing the Area and marine scientific research.
41. The Ministers noted the discussions on marine genetic resources in areas beyond national jurisdiction that took place during the meeting of the United Nations Open-Ended Informal Consultative Process at the United Nations from 25-29 June 2007 and reiterated that the conservation, exploration and exploitation of marine genetic resources in areas beyond national jurisdiction should occur within the framework of the UNCLOS.
42. The Ministers reiterated their countries' commitment to achieve sustainable development, and stressed the importance of international cooperation in this regard.

HUMAN RIGHTS

43. The Ministers noted that India, Brazil and South Africa as members of the Human Rights Council, share a common vision regarding the promotion and protection of human rights through dialogue and cooperation. Guided by this vision, the three countries actively participated in the institution-building phase of this newly-formed human rights body with a view to making the Council a strong, effective and efficient body capable of promoting and protecting human rights and fundamental freedoms for all and introducing a new work culture of cooperation and mutual understanding in the functioning of the international human rights machinery. The Ministers remain committed to continue actively participating in a coordinated manner in the work of the international human rights machinery to

pursue the objective of securing effective enjoyment of human rights by all, including vulnerable groups and the implementation of the right to development.

PEACE AND SECURITY

TERRORISM

44. The Ministers reaffirmed that terrorism constitutes one of the most serious threats to international peace and security. They strongly condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose. They stressed that there can be no justification, whatsoever, for any acts of terrorism. They emphasized the need for concerted and coordinated action by the international community to realize the objectives of eradicating terrorism in all its forms and manifestations.
45. The Ministers reaffirmed their commitment to the full implementation of the measures to combat terrorism outlined in the UN Global Counter-Terrorism Strategy and the relevant UN Security Council and General Assembly Resolutions. They recalled that the Outcome Document of 2005 World Summit had called upon the member states to conclude a Comprehensive Convention on International Terrorism during the 60th Session of the General Assembly, and stressed the importance of finalizing early the Comprehensive Convention on International Terrorism and called upon all states to cooperate in resolving the outstanding issues with the objectives of an expeditious conclusion of negotiations and adoption of this Convention.
46. The Ministers emphasized that international cooperation in combating terrorism should be conducted in conformity with the principles of the UN Charter, international law and relevant international conventions.

DISARMAMENT AND NON-PROLIFERATION

47. The Ministers reiterated their commitment to the goal of complete elimination of nuclear weapons and expressed concern over the lack of progress in realization of that goal. The Ministers emphasized that nuclear disarmament and nuclear non-proliferation are mutually reinforcing processes requiring continuous irreversible progress on both fronts, and reaffirmed, in this regard, that the objective of non-

proliferation would be best served by systematic and progressive elimination of nuclear weapons in a comprehensive, universal, non-discriminatory and verifiable manner. The Ministers recalled that similar approaches have led to the establishment of internationally legally binding instruments that have banned chemical and biological weapons and are contributing towards the total elimination of such weapons and reaffirmed their commitment to make efforts in the relevant multilateral forums for a universal instrument to ban nuclear weapons and to achieve their complete elimination. The Ministers emphasized the necessity to start negotiations on a phased programme for the complete elimination of nuclear weapons with a specified framework of time to eliminate nuclear weapons, to prohibit their development, production, acquisition, testing, stockpiling, transfer, use or threat of use, and to provide for their destruction.

48. In this context, the Ministers also expressed concern over the inability of the Conference on Disarmament (CD), the world's single multilateral disarmament negotiating forum, to engage in substantive work. The Ministers noted that several proposals have been made in the CD with regard to a programme of work and reiterated their commitment to work constructively to reach to a consensus taking into account the concerns of all the Member States. In this context, reiterating that the Five Ambassadors' proposal as revised in 2003 still remained a viable basis for reaching a consensus, the Ministers took note of the collective efforts made in 2007 by the six Presidents of the Conference and encouraged them to continue with their intensive consultations with a view to reaching an agreement on a programme of work to commence substantive work of the Conference.
49. The Ministers discussed the threat posed by terrorists and other non-state actors acquiring nuclear weapons or their related materials and technologies. They reaffirmed their commitment to contribute to multilateral efforts to counter such threats and promote co-operation in this regard and welcomed in this regard the adoption of the International Convention for the Suppression of Acts of Nuclear Terrorism. The Ministers expressed their conviction that the best way to prevent non-state actors or terrorists from acquiring nuclear weapons is the total elimination of such weapons.
50. The Ministers expressed their commitment to the universalization of the Convention for the Prohibition of Chemical Weapons and

Biological Weapons Convention (BWC), as well as to the goal of ensuring their balanced, transparent and effective implementation.

51. The Ministers recalled the importance of cooperative and effective international action against the illicit trade in small arms, light weapons and ammunition. The Ministers underscored the priority to full implementation of the United Nations Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects (UNPoA).

DISASTER MANAGEMENT

52. The Ministers expressed concern over the human suffering and economic impact caused by the natural disasters throughout the world. The Ministers emphasized the need for national efforts to be supplemented by enhanced international and regional cooperation in the sphere of disaster risk reduction, mitigation and management. In this context, the ministers welcomed the establishment of the UN Central Emergency Response Fund (CERF) in 2005 which has contributed in strengthening the United Nation's capacity to respond to natural disasters in a predictable and timely manner. The Ministers also welcomed the convening of the first session of the Global Platform for Disaster Risk Reduction in Geneva from June 5-7, 2007, which brought together a wide range of actors associated with different aspects of disaster risk reduction and contributed in raising awareness on this important issue. The Ministers agreed to explore the possibilities of enhanced cooperation among the three countries through exchange of experiences and expertise in the area of disaster reduction, mitigation and management.

PEACEFUL USES OF NUCLEAR ENERGY

53. The Ministers took note with satisfaction of the positive continuing cooperation among their countries at the IAEA and other fora, with a view to ensuring the unimpeded growth and development of peaceful uses of atomic energy, through the supply of technology, equipment and material, under appropriate safeguards, and reaffirmed their will to intensify such cooperation.
54. The Ministers reiterated the importance of ensuring that any multilateral decisions related to the nuclear fuel cycle do not

undermine the inalienable right of States to pursue nuclear energy for peaceful purposes in conformity with their international legal obligations.

55. The Ministers emphasized the need to ensure the supply of safe, sustainable and non-polluting sources of energy to meet the rising global demand for energy, particularly in developing countries. In this context, the Ministers agreed that nuclear energy could play an important role. The Ministers agreed to explore approaches to cooperation in the peaceful uses of nuclear energy under appropriate IAEA safeguards. The Ministers further agreed that international civilian nuclear cooperation, under appropriate IAEA safeguards, amongst countries committed to nuclear disarmament and non-proliferation objectives could be enhanced through acceptable forward-looking approaches, consistent with their respective national and international obligations.

REGIONAL COOPERATION

THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)

56. The Ministers recognized the new trends in socio-economic development in Africa and its growing relationship through the Africa Union and with its partners such as India and Brazil. The Ministers also recognized the efforts made by the African Union to harmonise the regional economic communities and the closer harmonization with the NEPAD Programme of the African Union. The Ministers committed themselves to share their development experience among one another in support of these broader objectives of the African Union and look for creating support to regional integration and the development of regional projects keeping in view their own experience. The Ministers agreed to consider partnership with the Pan-African Infrastructure Development Programme's projects.

UNION OF SOUTH AMERICAN NATIONS

57. The Ministers welcomed the establishment of the Union of South American Nations, recognizing it as a major achievement in the process of strengthening the political coordination and economic, commercial and infrastructural integration among South American countries.

REGIONAL ISSUES: THE MIDDLE EAST PEACE PROCESS

58. The complementarities of the Arab Peace Initiative and the Quartet Roadmap, which essentially focus on the revival of dialogue for a peacefully, negotiated solution, on the unfinished issues of the Arab-Israeli conflict on the Palestine, Syrian and Lebanese tracks, including the Final Status Issues, through active dialogue by the parties directly concerned, need to be addressed. The Ministers reaffirmed support for the objective of establishing a sovereign, independent, viable and united State of Palestine, within recognized and well-defined borders, living side by side at peace with the State of Israel, through peaceful negotiations. The Ministers supported addressing all remaining tracks, i.e. the Syrian and the Lebanese tracks, for comprehensive peace and stability in the region.

IRAN

59. The Ministers reaffirmed the inalienable right of all States to the peaceful application of nuclear energy, consistent with their international legal obligations. The Ministers called for a diplomatic resolution of the Iranian nuclear issue within the context of the International Atomic Energy Agency (IAEA).

IRAQ

60. The Ministers emphasized the need for the return of peace and stability in Iraq which are essential for its development and prosperity. A peaceful, united and stable Iraq requires a democratic and inclusive polity. The UN together with the International Community has an important role to play in this regard. The launch of an International Compact on Iraq and discussions held in March and May 2007 with the participation of Iraq's neighbors, UN, G8, and P5 countries are noteworthy developments. The Ministers reiterated support to Iraq for its efforts at reconstruction and development.

AFGHANISTAN

61. The Ministers expressed their strong support for a sovereign, democratic and prosperous Afghanistan and reaffirmed their commitment for the development and reconstruction of Afghanistan. The Ministers expressed concern over the deteriorating security situation in Afghanistan and the consequential risk of undermining the

gains made in the recent past. The Ministers agreed that the resurgence of the Taliban, the growth in cross border terrorism and its links with international terrorism, underlined the magnitude of challenge the people of Afghanistan and the international community faced. The Ministers reiterated that a coherent and a united international effort both in its development and security aspects remained of paramount importance. The Ministers commended the Government of Afghanistan led by President Karzai for its efforts to strengthen and consolidate the democratic process and constitutional institutions of Afghanistan. The Ministers agreed that advancing regional cooperation was crucial to Afghanistan's future and in that context hailed the emergence of Afghanistan as SAARC's eighth member.

LEBANON

62. The Ministers expressed their concern for the continued political tension in Lebanon and urged Lebanese political groups to commit themselves to resolve their differences by dialogue and good faith negotiations, preserving the plural character of the Lebanese society, the sovereignty of the country and the democratic nature of its institutions. The Ministers supported the Arab Peace Initiative of 2002-2007 as an important basis to achieve peace and stability in the region as a whole and in Lebanon in particular. The Ministers welcomed the recent efforts by the League of Arab States as important steps to create a suitable environment to re-launch internal political dialogue. The Ministers expressed their full support to the Lebanese government as the only legitimate defender of public order in Lebanon, in accordance with UN Security Council Resolution 1559 and 1701. The Lebanese track should be resolved through peaceful negotiations, for comprehensive regional peace and stability.

SUDAN

63. The Ministers urged and supported the Government of Sudan, and all parties directly concerned in addressing the internal political and humanitarian situation, in the province of Darfur in an expeditious manner, to alleviate civilian suffering and strengthen necessary political and development structures. The Ministers called on all parties to cooperate in the peace process to finalize the internal Darfur Dialogue, under the auspices of the African Union (AU) and the UN.
64. The Ministers noted the development relating to the UN-AU hybrid

operation in Darfur, in accordance to the Addis Ababa Agreement, signed between UN, AU and the Sudanese government on 12 June 2007 on the deployment of hybrid forces, which may contribute to the stabilization of the situation in Darfur and in its political, humanitarian and security dimensions. The Ministers considered that any further measures to be taken in connection to the situation in Darfur should not adversely affect the civilian population, and aggravate the situation on the ground.

IBSA SECTORAL COOPERATION

65. The Ministers reviewed the work of the sectoral working groups and adopted their reports.
66. The Ministers stressed the need for the Working Groups to meet regularly, while drawing up their Plans of Action with time-bound deliverables.
67. The Ministers discussed ways and means of enhancing the visibility of IBSA and taking it to the peoples of the three countries. This could be done in various ways and the focal points were instructed to prepare proposals for this purpose, including appropriate participation by civil society.

REVENUE ADMINISTRATION

68. The Ministers decided to formalise the establishment of an additional sectoral working group on Revenue Administration. The Ministers noted the signing of the Bilateral Mutual Administrative Assistance Agreements on Customs matters between India and Brazil and the conclusion of the negotiations on the Bilateral Mutual Administrative Assistance Agreements on Customs matters between India & South Africa, and South Africa & Brazil. The Ministers noted that the meeting of the Heads of Revenue Administration would be held in Brazil prior to the Second IBSA Summit.

EDUCATION

69. The Ministers welcomed the holding of an Academic Workshop and Working Group in Durban, South Africa, during 29 June-1 July 2007 wherein five areas of cooperation were identified, viz. Engineering, Computer Science and Mathematics; Biotechnology, Agriculture and Livestock; Sustainable Development; Social Transformation and

Empowerment; and Higher Education Studies. The Ministers noted that the IBSA Programme on Higher Education would be signed at the Second IBSA Summit.

70. The Ministers noted with satisfaction that the heads of the Diplomatic Academies of three countries would meet in Brazil in September 2007.

AGRICULTURE

71. The Ministers noted that the Joint Working Group on Agriculture has agreed on developing joint projects and decided to have six sub-groups, viz., (a) Animal Health and Animal Production, (b) Bio-fuels in the context of agriculture, (c) SPS issues, (d) Agro-processing and Agro-business including Food Park, (e) Research and Capacity Building, and (f) Policy issues including Poverty Alleviation. Each IBSA country will lead in two sub-groups. The Ministers urged early identification of joint projects.
72. The Ministers stressed that the modalities of communication through video-conferencing and Internet etc. may be adopted and used frequently.

TRADE & INVESTMENT

73. The Ministers also welcomed the Seminar on Technical Regulations and Standards, organized by the Confederation of Indian Industry (CII) in New Delhi on 12 July 2007 which was a concrete step to implement the Action Plan on Technical Regulations, Standards and Conformity Assessment Procedures signed during the First IBSA Summit.
74. The Ministers welcomed the South African proposal of organizing a Business Meeting during the Second IBSA Summit.
75. The Ministers welcomed the proposal for participation by their business and industry in one another's principal trade fairs/industry expositions. They instructed the Working Group on Trade and Investment to devise equitable modalities for such participation, including identification of the fairs/expositions.

ENERGY

76. The Ministers reiterated that energy is a strategic area for common action. They noted that various areas for future cooperation are: bio-

fuels, synthetic/alternate fuels, grid-interactive power, renewable resources like wind power and solar energy, remote areas electrification, energy efficiency and conservation. The Ministers stressed the need to identify specific activities envisaged under the MoU on establishing a Trilateral Task Team on Bio-fuels and report progress at the Second IBSA Summit. The Ministers welcomed South Africa's proposal to organise the Coal to Liquid (CTL) and/or Gas to Liquid (GTL) Seminar on the margins of the Second IBSA Summit. They also welcomed the commitment to finalise and sign the MoU on Wind Energy Resource at the Second IBSA Summit.

TRANSPORT

77. The Ministers reiterated the need to develop the Transport Action Plan with clear deliverables and time frames for accelerating implementation of the transport cooperation to be announced at the Second IBSA Summit.
78. The Ministers urged the early nomination of a representative from each IBSA country for the Maritime Liaison Committee in implementation of the Trilateral Agreement on Maritime Transport and other Related Matters signed during the First IBSA Summit. The Ministers welcomed the identification of eight broad areas of cooperation under this sector, including training, inland water transport, maritime regulatory functions, shipbuilding and repair capacity development, among others. The Ministers noted the need for cooperation on transport matters among IBSA countries in the WTO negotiation process.
79. The Ministers noted that improved air connectivity is crucial for promotion of trade and tourism among the three countries. While noting that the trilateral MoU was signed on 26 July 2005, which allows the designated airlines of the three countries to code-share with each other either as operating or marketing carrier, the Ministers urged expeditious action in this regard.

CULTURE

80. The Ministers welcomed the initiatives undertaken by the Working Group on Culture, which is an important sector, to enhance people-to-people contact.
81. The Ministers appreciated the offer of Brazil to host the First IBSA

Music and Dance Festival in Salvador (Bahia) in October 2007 with the participation of troupes from India and South Africa. The Ministers also noted with appreciation the offer of India to invite participation by crafts persons from Brazil and South Africa in the SurajKund Crafts Fair in early February 2008.

82. The Ministers welcomed the commitment to enhance cooperation by concluding a trilateral Memorandum of Understanding to be proposed by South Africa, to identify projects including the timeframes, monitoring and their evaluation for signing during the Second IBSA Summit
83. With a view to enhance cultural contacts among the three countries the Ministers agreed that an IBSA Cultural Event be held at every IBSA Summit.

HEALTH

84. The Ministers urged the need for the Health Ministers to meet as soon as possible to approve the Plan of Action developed during the last meeting of the Working Group in Brazil in February 2006.
85. The Ministers welcomed the development of a Trilateral MoU in the field of Health and Medicine, to be signed during the Second IBSA Summit, which would be in implementation of the commitment by the Heads of State and Government for collaboration for research and development of AIDS, Malaria and Tuberculosis diagnostic tools, drugs and vaccines during the First IBSA Summit.

SCIENCE AND TECHNOLOGY

86. The Ministers underscored the importance of Science & Technology cooperation and expressed satisfaction with the progress achieved. They noted that concrete joint research projects in agreed areas of common interest would be undertaken. They further stressed the need for enhancing research and development collaboration. The Ministers noted the move towards creation of a seed fund of US\$ 1 million in each country for collaborative activities. They also noted inclusion of a new area of Antarctic Research in Science and Technology sector.

SOCIAL ISSUES

87. The Ministers welcomed the preparation of an integrated IBSA Social Development Strategy which will build on the best practices of the

three countries for serving as a blue print for South-South Cooperation. The Ministers noted that a Seminar in this regard will be held in South Africa in October 2007. They welcomed the commitment of the Working Group to work on a trilateral Memorandum of Understanding on Social Development, which may be signed during the forthcoming IBSA Summit.

PUBLIC ADMINISTRATION

88. The Ministers noted that satisfactory progress has been made in the sector and that an MoU on cooperation in the field of Public Administration and Governance has been finalized for signing during the Second IBSA Summit.

INFORMATION SOCIETY

89. The Ministers agreed that Information Society is one of the dynamic areas. The Ministers noted the successful launch of IBSA website (www.ibsa-trilateral.org) during the First IBSA Summit in September 2006 in Brazil and urged to upgrade the website to make it more user-friendly, in particular, for the working groups under IBSA. They also noted that the discussion documents on six identified areas have been exchanged. They urged that additional ways may be worked out for taking forward the sector by formulating working models and approaches to be translated into tangible projects and that the Working Group should meet before the next IBSA Summit.
90. The Ministers noted that Brazil will host the Second Internet Governance Forum (IGF), in Rio de Janeiro, from 12-15 November 2007, and expressed their willingness to engage in a constructive trilateral dialogue with a view of contributing to the IGF preparatory process.

TOURISM

91. The Ministers noted with appreciation the offer of India to host a Workshop with participation of 30 tour operators each from Brazil and South Africa.

DEFENCE

92. The Ministers agreed that there was significant potential in the sector and that the three countries should work together to enhance cooperation.

INTELLECTUAL PROPERTY RIGHTS

93. The Ministers agreed for establishing an informal trilateral consultative mechanism for the exchange of information on IPR issues as agreed during the First IBSA Summit.

IBSA FUND FACILITY FOR ALLEVIATION OF POVERTY AND HUNGER

94. The Ministers took note of the functioning of the IBSA Fund Facility for Alleviation of Poverty and Hunger and decided that its functioning and modalities should be comprehensively reviewed and a report submitted within two months for consideration during the Second IBSA Summit. The review will include identification of criteria for selection of projects.
95. In this context, the Ministers also noted the proposals received for assistance from the Fund in respect of capacity building in Timor Leste and the fight against HIV/AIDS in Burundi. They instructed the focal points to examine the detailed proposals for these projects and make concrete recommendations. They agreed in principle that a team from the three countries may visit Burundi for a preliminary investigation.
96. The Ministers also noted with satisfaction that the IBSA Fund Facility had been conferred the South-South Partnership Award at the 2006 UN Day event held in New York on 19 December 2006.

NEW AREAS OF COOPERATION

97. The Ministers took note of the proposal to set up two new Working Groups dealing respectively with Climate Change and Environment, and Human Settlement Development. They recognised the importance of these sectors and called upon the focal points to consult and revert with concrete recommendations.

SECOND IBSA SUMMIT

98. India and Brazil welcomed the offer of South Africa to host the Second IBSA Summit in October 2007.
99. The Ministers agreed that the Fifth Trilateral Commission Meeting would be hosted by South Africa on mutually convenient dates in 2008.

100. The Ministers of South Africa and Brazil expressed their deep gratitude to the Minister of External Affairs of India for convening the Fourth Meeting of the IBSA Trilateral Commission in New Delhi.

New Delhi
July 17, 2007



159. Address by Minister of State Anand Sharma at the inaugural session of Conference of Editors from IBSA countries.

New Delhi, September 3, 2007.

Shri Nalin Suri, Secretary in the Ministry of External Affairs; Shri Navtej Sarna; Dr. Nagesh Kumar, Head of the Research and Information Systems for Developing Countries; the High Commissioner of South Africa, Francis Molo; Chargé d'Affaires of Brazil, Mr. Fonseca; Distinguished Editors from Brazil, South Africa and India; Ladies and Gentlemen:

I am very happy to be with you this morning and to have this opportunity to share some of my thoughts on a movement which has attracted global attention now. What started as a Dialogue Forum between three countries, or three continents, has today become a strategic partnership. It is only six weeks from now that the leaders of our three countries - India, Brazil and South Africa - will meet in the second IBSA Summit in South Africa to take forward the process and also the cooperation and engagement in multi-sectoral and critical areas between our three countries.

There is much that we share, despite the long distance involved when it comes to commuting. That is, of course, one of the issues that IBSA is addressing to improve, the connectivity, to ensure there is movement of people. That is what our Prime Minister had said in the last IBSA Summit in Brasilia that we should convert this also into a peoples' movement. That would only be possible when we ensure easier movement among our people.

India, Brazil and South Africa represent three vibrant democracies, and emerging economic powers of three continents which have shared interests and also shared global concerns. All our three countries are multi-cultural

societies, multi-religious, and pluralistic. Therefore, as democracies, the leaders of our countries do understand the problems that confront the civil society as well as the aspirations of our people. The IBSA has made an impact in addressing some of the issues in our trilateral context and also in the global context. I have no doubt that given the nature of sectors that we have identified for cooperation ranging from health to agriculture, energy, science and technology, and also research in developing medicines to fight pandemics like HIV AIDS, tuberculosis and malaria. All our three countries have advanced research. Pooling together of our knowledge, our resources and also linking the research institutions will be able to make a major contribution to humanity.

This cooperation is not confined only to the sectors and issues which I briefly referred to, but also we are looking at the larger global picture in the context of globalization, its impact, and IBSA to play a meaningful role, if not a decisive role, in the new global order which must ensure equity and justice, which must also ensure that the countries of the south, the developing countries, have their share of the global resources, the global technologies, and also a voice in decision-making processes in the multi-national forums including the United Nations. We saw our leaders and our countries coming together in the WTO, in the crucial talks in the Doha Development Process.

India, Brazil and South Africa firmly stood together and we do acknowledge, when President Lula came here he made it abundantly clear, that come what may Brazil will be with South Africa and India on this issue when it comes to market access, when it comes to agricultural subsidies in particular and also the kind of distortions that have taken place, whether tariff and non-tariff related issues in WTO and also of the export support which is given by developed countries in their agricultural sector.

When I traveled to some of the developed countries, I found my interlocutors a bit disturbed and confused as to why we are making such a high pitch opposition and we are assertive in our approach and not yielding. I remember telling one of them - I will avoid taking the name - that you must understand that our countries have emerged from long decades, if not centuries, of exploitation and subjugation. Our people suffered from denial and deprivation. We are now assuring our people that we will protect their rights. When it comes to agriculture, four-fifths of the agricultural workforce in the world comes from the developing countries. In my country, and for that matter even in South Africa, the land holding of the majority of people

would remain small. Therefore, this issue was crucial to us and we hope that our working together and our unity will ensure that the countries of the South remain united in getting a regime which is fair, which is equitable.

You all are Editors writing and commenting on issues which would include the third world issues and also the global issues. Media does make a tremendous impact in every society. Irrespective of the name of the newspaper or TV channel, they do have their reach. Some of them have cross-border or international reach. Thereby, they influence the public opinion and also to some extent policy formulation in sensitizing public opinion which will ensure that the political leadership too gets connected to those matters.

I was informed by Navtej Sarna about the sessions which you will be having touching upon all these issues of globalization, economic order and new technologies in the media. Media surely has changed in the last few decades since 1977 - if I am right, the McBride Commission was appointed by UNESCO - media has come a long way even in the developing countries. But many of the issues which were raised have not been addressed, especially when it pertains to the developing countries. If you look at the global news or the media picture, surely the developed countries have a dominant presence. It is their viewpoint which influences public opinion world wide, I will not say in our respective countries but surely there are sections in every society globally who get hooked on only to the analysis and the news and the assessment which is coming from dominant channels of the electronic media.

I do not find adequate analysis and correct reporting on some of the social issues which concern our societies. Though there is focus when it comes to Africa, on what is happening in Africa with regard to this development, issues related to poverty and hunger will be focused on similar developmental issues in other third world countries. But our own voice and own analysis has not made that strong a global impact as it should have. Therefore, perhaps a time has arrived for us to put our minds together on how to ensure strengthening the media within the IBSA trilateral movement so that we can make our own contribution to the global media scene.

I referred just now to the issue of hunger and poverty which gets inadequate coverage and even country-wise reporting. But while discussing the Millennium Development Goals - which we would be discussing again in the forthcoming IBSA Summit - we are sincere in what we are saying. But to my mind, the real issue is of pressing for transfer of resources and transfer of technology without which it would be very difficult to realize the Millennium Development Goals. If we look at the last few G8 Summits and what was

said a few years ago, and if we compare it to the recent Summit, not much fulfillment is there, because the resources are not being transferred. So, we do not want to be in a position as the countries of the South and as we say in our case, emerging powers, emerging economies, which we are, to have patronizing attitude as far as issues of our development are concerned, that you can take it forward to other related issues including now the global energy crisis and the climatic change.

Therefore, it is important that as we move forward we ensure that within IBSA, our economic cooperation, our partnership has a demonstrating effect so that the others in the world take note how these three vibrant democracies of Asia, Africa and Latin America can make their own contribution in resolving global problems; and also to ensure that our process of development and economic growth is sustainable and inclusive, it reaches out to those who have been left out in the past. We are trying to do that in India. I know South Africa and Brazil are equally conscious to ensure inclusive growth, especially for the people living in the rural areas, people who are part of the agricultural work force, or unorganized labour. As our economies grow, we will have resources to ensure that there is adequate allocation for social sector especially health, education and also rural infrastructure which is very important for our countries.

The trade and economic cooperation has been discussed earlier by looking at the figures. We have done reasonably well from what was expected. It is not enough. The potential is enormous. The IBSA trade is somewhere near 10 billion and we should be committing ourselves to double it within the next five years, if not more, given the sheer momentum of the development that is taking place in our three societies.

Energy is another area where we are determined to work together. Brazil is a leader as far as energy is concerned, both the conventional sources of energy and also the use of ethanol. South Africa has its strength in synthetic fuels and also in the liquefaction and gasification of coal. India is also paying much attention to the renewables, the wind, the solar energy and also the bio fuels. It is important that we show to the world that while developing our respective economies we were doing that in harmony with nature. It is a tall order. It is important for countries like ours to have access to environmental friendly and cleaner sources of energy, whether it is the renewables which we are focusing upon, the bio fuels, but also the civilian nuclear energy. We do hope that in the coming years, in the energy sector also IBSA movement will make its impact globally.

I have said enough about the issues which are there before us. I have no doubt that with the coming together of some of the finest minds of our three countries in various sectors - especially in advance research in agriculture, in science and technology, in generic medicine - we will be able to fulfil the aspirations of our people and also the expectations of our leaders who have come together to lead this movement in the first decade of the 21st century.

All our countries had emerged in the last century as free nations, as democracies where we could make our own decisions, our own choices. The time has come for India, Brazil and South Africa, to provide leadership as emerging powers. I have no doubt that this century does belong to us. I also wish each one of you fruitful deliberations and others will be joining you. Discussions will help us, as Navtej Sarna said that we will not be interfering but surely your suggestions, your valuable recommendations will enrich and strengthen the IBSA movement.

Thank you.



**160. Speech by External Affairs Minister Pranab Mukherjee
at the IBSA Editors Conference.**

New Delhi, September 5, 2007.

Chairman of RIS, Dr. Arjun Sengupta, Secretary Nalin Surie, Distinguished Editors from Brazil, South Africa and India, Ladies and Gentlemen,

It is a matter of great satisfaction to be present at this Concluding Session of the Conference of IBSA Editors. I am glad that an idea that I recall was mooted even as finishing touches were being put to the Joint Communiqué of the IBSA Foreign Ministers during our meeting in July this year, has been brought to fruition so soon. The fact that we can get together so quickly to share our commonalities and discuss the challenges that we face underlines our natural affinity and the tremendous potential of the IBSA forum. I congratulate also the RIS and its Director General, Dr. Nagesh Kumar for the excellent support they have provided to the Ministry in the organization of this meeting.

Let me congratulate all the participants at this Conference for the thought-provoking ideas they have presented and the avenues for concerted action

that they have identified. Of course, in discussing some of the issues that you have, dissent and debate are natural companions, but they only add to the richness of the deliberations. I have heard with interest and appreciation the able summing-up of the deliberations of this Conference. You have covered an impressive range of issues of current interest and significance to each of our three societies in the short space of one and-a-half days, and I think this exercise has greatly benefited all of us.

The media in India has been historically free, and dynamic. During the years of our freedom struggle, our national leaders had fought for and won the right to express their views and to openly debate in print the issues of the day. Indeed, many of our freedom fighters were themselves journalists, editors or proprietors of newspapers. Newspapers like *Young India* and *The Harijan* published by Gandhiji, or the *Al-Hilal* and the *Al Balagh* published by Maulana Azad as well as the *National Herald* edited by Pandit Nehru, played an important role in mobilizing the masses and in raising the awareness of current issues amongst our people. Those hard-won freedoms were enshrined as fundamental rights in the Constitution of free India. Today, the media, both print and electronic, are indispensable partners in the process of democratic debate in our country. With the fast growing number of television news channels and the increase in the number of newspapers published in several languages, the media scene in India presents a picture of buoyancy and exuberance. In Brazil and South Africa, the media have led equally important campaigns for the economic empowerment and self-realisation of the people. Thus, it is fitting and appropriate that issues of relevance to our societies be discussed by the representatives of such an important institution of our three countries.

Today, the global challenges facing our rapidly-developing and modernizing societies are huge; so too are the global opportunities. Poverty, economic and social inequalities, inequities at a global level or threats such as terrorism to our multi-ethnic, multi-religious societies are some of the major challenges. South-South cooperation, exemplified in the IBSA forum, can provide valuable answers to these challenges.

We have made steady progress in our endeavour at trilateral cooperation in IBSA. In the last three years since the first IBSA Trilateral Commission meeting was held in New Delhi in 2004, we have identified several important areas of cooperation, such as energy, education, agriculture, health, science and technology, public administration and revenue administration. Several IBSA working groups have met. We have set a trade target of US\$ 10

billion amongst our three countries by 2007 which we are likely to meet. We are looking to develop further people-to-people relations - perhaps through meetings of parliamentarians, members of civil society, through cultural and educational exchanges and through tourism. Indeed, meetings such as this one are intended to show the way forward. We are now also looking forward to the IBSA Summit in October. There are many important themes that await deliberation at the highest levels - themes such as inter-connectivity, mega-diversity and energy security, which can further reinforce our trilateral cooperation and expand the horizons for the development of our rapidly-expanding economies.

I am confident that the findings and analyses of this Conference will be extremely useful for us and enrich the discussions at the Summit Meeting. I want to thank our distinguished guests from Brazil and South Africa for responding so readily and at relatively short notice to our invitation for this visit. I do hope that they have also found some time to see something of India beyond this Conference hall. Let me wish all of you a pleasant time for the rest of your sojourn in our country.

Thank you.



161. Joint Press Statement on the IBSA (India-Brazil-South Africa Dialogue Forum) Ministerial Meeting on the Margins of the 62nd Session of the UNGA.

New York, September 26, 2007.

The Minister of Foreign Relations of Brazil, H.E. Mr. Celso Amorim; H.E. Mr. Pranab Mukherjee, the Minister of External Affairs of India; and H.E. Dr. Nkosazana Dlamini-Zuma, the Minister of Foreign Affairs of South Africa, met in New York on 26 September 2007, on the margins of the 62nd Session of the United Nations General Assembly. They exchanged views on a number of issues on the international agenda, topics relating to the IBSA Dialogue Forum and the IBSA Fund for Alleviation of Poverty and Hunger.

The Ministers reaffirmed their determination to strengthen IBSA's political segment by enhancing coordination among their delegations in international fora. They stressed the urgent need to reform the United Nations, in particular the Security Council, and emphasized in this regard their co-

sponsorship of draft resolution A/61/L.69, aimed at the immediate launching of elements-based, result-oriented inter-governmental negotiations for the expansion of the Security Council.

Stressing that improved connectivity is essential to the development of IBSA trade and economic relations, the Ministers emphasized the importance of an early implementation of the Trilateral MOU of July 2005. While reiterating that health and defense are promising areas of cooperation, the Ministers encouraged the concerned Ministers to meet early so that untapped potential in these areas could be utilized. The Ministers reaffirmed their commitment to address the issue of availability and sustainable, economical and clean energy supplies.

The Ministers expressed satisfaction that the IBSA Fund for Poverty and Hunger Alleviation won the 2006 South-South Alliance Award for its projects in Haiti and Guinea Bissau. They also reviewed recent developments in the IBSA initiative, including the formation of two new Working Groups in the areas of Environment and Climate Change and Human Settlement Development. On trade issues, the Ministers welcomed the upcoming meeting on October 6th of the group responsible for considering the modalities for the envisaged Trilateral Free-Trade Agreement among Mercosur, the Southern African Customs Union (SACU) and India. The Ministers also stressed taking several additional measures, including greater participation in each other's trade fairs, trilateral investments and a study of complementarities.

The preparations for the 2nd IBSA Summit (Johannesburg and Tshwane, South Africa, 17 October 2007), were also discussed.



162. Media Briefing by Secretary (West) in the Ministry of External Affairs Nalin Surie on Prime Minister's visit to South Africa for the IBSA Summit.

New Delhi, October 9, 2007.

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After his visit to Nigeria¹, Prime Minister will travel to Johannesburg and Pretoria to attend the 2nd Summit of the IBSA Forum, scheduled to be held on 17 October 2007. The First IBSA Summit was held in Brasilia in September 2006. It is our expectation that the Second Summit will represent a fresh milestone in the progressive development of IBSA.

IBSA is a unique Forum which brings together India, Brazil and South Africa, three large democracies from three different continents, facing common challenges. All three countries are developing nations, plural, multi-cultural, multi-ethnic, multi-lingual and multi-religious. Cooperation among IBSA countries serves three basic purposes. It provides a strong framework for trilateral cooperation in key sectoral areas amongst countries which share many commonalities. Secondly, it provides an important instrumentality for cooperation on regional and international issues of common concern such as climate change, reform of the United Nations, WTO negotiations, cooperation in civil nuclear energy, terrorism, etc. Thirdly, it enables the process of South-South Cooperation to strengthen and deepen.

PM would arrive in Johannesburg on the evening of 16 October. He is expected to attend a cultural event that evening along with the Presidents of South Africa and Brazil. India is sending a 6-member Kuchipudi troupe led by Swati Somnath for participating in that event.

Prior to the Summit, a series of important activities would be held. These include an Academic Seminar, a Business Seminar, a Women's Forum and a Parliamentary Forum. The Indian complement at the Business Seminar would be composed of representatives from FICCI, CII and ASSOCHAM. Approximately 75 members are expected to attend. Trade, investment and other forms of economic cooperation are expected to provide an underpinning for IBSA.

The Parliamentary and Women's Forums are being held for the first time.

1. For briefing on Nigeria please see Document No. 466.

For the former, India would be represented by Hon'ble MPs S/Shri Sandeep Dikshit, Jitin Prasada, Harin Pathak and Alok Kumar Mehta. For the Women's Forum, the preparatory meeting was held in Delhi last week and the Indian delegation will be led by Secretary, Ministry of Women & Child Development, and include representatives from NGOs such as Guild of Service, Women's Power Connect and a representative of Amul.

The meetings of the various fora will serve to enlarge the spectrum of interaction amongst IBSA partner countries which have agreed to progressively widen participation to expand the cooperative basis of IBSA and enhance its visibility in the member countries.

The main Summit would be held on 17 October. The Heads of State/Government, in addition to their own discussions on trilateral cooperation and regional & international issues, will also hear reports from the different seminars/forums. A Joint Declaration would issue at the end of the Summit. Several MOUs are also expected to be signed in areas such as human resources, culture, social development, health and medicines, public administration, higher education and on customs & tax administration and cooperation.

Following the Summit meeting, Prime Minister will hold bilateral meetings with his host, President Thabo Mbeki of South Africa, and with President Lula of Brazil. You will recall that Prime Minister had also met with Presidents Lula and Mbeki in Berlin last June on the sidelines of the G-8 Summit. Prior to that, President Lula had paid a state visit to India.

Question: Since both Brazil and South Africa are members of the NSG, will the issue of 123 Agreement be formally raised in the IBSA Summit?

Secretary (West): I cannot tell you what Prime Minister will or will not raise. That is his discretion. But, as you know, both Brazil and South Africa are very supportive of India's quest for civil nuclear energy.

Question: We wanted to have some Embraers from Brazil. What is the status of that?

Secretary (West): I believe Paramount Airways has ordered a very large number of Embraer aircraft from Brazil. I do not really know the exact status of supplies but they have ordered a very large number of aircraft.

Question: IBSA ...(inaudible)...

Secretary (West): You will remember that when the Trilateral Commission

meeting took place in Delhi of IBSA earlier this year, the target was 15 billion dollars by 2010. I expect that the Summit will reconfirm that target.

Question: What is the current level?

Secretary (West): We are hoping that at the end of this year we will achieve the target of close to 10 billion dollars. But it is a bit early to say yet. It depends on a couple of big contracts between us.

Question: Who are the Ministers who will be accompanying the Prime Minister? Can you give us an idea of the Delegation?

Secretary (West): Mr. Anand Sharma (Minister of State for External Affairs) will accompany the Prime Minister plus one more Minister of State.

Question: What about the MPs you spoke about?

Secretary (West): They will attend the Parliamentary Forum.

Question: Are they not accompanying the Prime Minister?

Secretary (West): They will be there a day before. They are only going for IBSA. After the Forums are over, they will participate in the open sessions of the Summit.

Question: Commerce Minister is not going to be there, is he?

Secretary (West): No, he is not going to be there as of now. These things keep changing.



163. Remarks by Prime Minister Dr. Manmohan Singh at the Opening Plenary Session of IBSA.

Pretoria, October 17, 2007.

Excellency President Thabo Mbeki

Excellency President Lula,

Participants in the Parliamentary, Academic,

Business & Women's Forums,

Ladies and Gentlemen,

I am delighted to be in South Africa for the Second Summit meeting of IBSA. I express our deep appreciation to the government and people of South Africa for hosting this Summit.

I am happy that fruitful discussions have taken place at the Academic Seminar, the Business Seminar and the newly instituted Women's and Parliamentarians' Forums.

When I had the privilege of meeting the Foreign Ministers of IBSA last July, I said to them that it is important to consolidate our gains. We should focus our time and resources to ensure productive outcomes in agreed priority areas of trilateral cooperation.

Out of the several Working Groups that we have set up, only those on ICT and Trade and Investment have met thrice. We can agree today that by the time of the next Summit all the Groups should complete one cycle of meetings in each of our countries. At the next Summit, we would then be in a position to take stock of the areas we should concentrate on and where cooperation is proving useful.

I am particularly pleased that discussions have begun on the India-SACU-Mercosur FTA. This is a bold initiative to give an impetus to our trading ties and we will work sincerely to bring it to fruition.

With regard to global issues we are increasingly consulting each other on the margins of major international meetings. We should encourage this so that we can have common IBSA positions on important international issues.

Last year we had agreed that assisting other developing countries should be one of the thrust areas of IBSA cooperation. I propose that we work on

one big flagship IBSA project using the Fund for Poverty and Hunger, which will convey our commitment in this area.

All developing countries face the challenge of balancing the need for more rapid growth with the need to address the problem of social inequality. Each of our countries has attempted innovative solutions to bring about inclusive growth. I am happy that we will discuss the issue of social development later on, including how to share experiences.

The lack of adequate connectivity continues to hamper our cooperation. We should reflect on how to encourage air and maritime links, which may not be commercially viable to begin with.

I look forward to having substantive and productive discussions today on strengthening the IBSA process. If the IBSA movement is to catch the imagination of our people we should move from a declaratory phase to one of time bound action.

We all recognise the immense potential of IBSA. With the necessary political will and an outcome-based approach, I have no doubt that we will be able to realise this potential.

Thank you.



164. Closing remarks by Prime Minister Dr. Manmohan Singh at the 2nd IBSA Summit.

Pretoria, October 17, 2007.

Excellency President Mbeki

Participants in the Parliamentary, Academic,

Business & Women's Forums,

Ladies and Gentlemen,

I am happy to say that our deliberations today were most fruitful. We have discussed ways of pooling our strengths and limited resources to maximum benefit. This gives me confidence that the IBSA process is moving into a phase where our trilateral collaboration will show concrete results.

IBSA is a unique model of trans-national cooperation. Our three countries come from three different continents but share similar world views and aspirations. If we can make a success of our model of cooperation based on collective self-reliance, it will serve as an example for all developing countries.

We have today found a renewed convergence of interests on major international issues of contemporary importance. We need to forge the closest cooperation possible, so that we can together ensure a more equitable international political and economic order. The world is already looking upon the IBSA framework as a significant step forward in the emergence of a global partnership for development.

We had a constructive discussion on the Doha Round of trade talks. This has emerged as an important issue facing the international community, in which each of our countries has an important stake. We committed ourselves to working towards securing a balanced and successful outcome of the talks.

The IBSA process has enabled parliamentarians, civil society, academia, mass media, women and other segments of society to engage with each other. We greatly value their contribution in reinforcing the efforts of the three governments. Over a period of time, IBSA should emerge as a peoples' movement.

The high level involvement of business and industry in IBSA is particularly encouraging. Governments can only do so much. We should leverage public-private partnerships to fill funding gaps and increase efficiency in key sectors of our cooperation.

The agreements and the Declaration that we will be signing will provide a new impulse to our cooperation. They reflect our emerging priorities. The implementation of the decisions we have taken should be carefully monitored, and a regular system of feedback should be put in place.

I am confident that under the Chairmanship of South Africa, our joint efforts in the framework of IBSA will acquire even greater resilience and dynamism.

I am most grateful to President Mbeki for the warm and generous hospitality we have received during our stay in this beautiful country.

Thank you and see you all in New Delhi in 2008.



165. Intervention by the Prime Minister Dr. Manmohan Singh at the " Social Development Strategy for IBSA".

Pretoria, October 17, 2007.

The importance of social development was recognized by us as far back as in the Brasilia Declaration of 2003. Subsequently, we had constituted a Working Group on Social Development. We had also decided that the IBSA Fund for Alleviation of Poverty and Hunger will work in close cooperation with this Working Group.

In addition, other Working Groups have been established on subjects like education, health, culture, human settlement, environment and skills development. Most recently, we have also set up a Women's Forum.

South Africa recently hosted a seminar of practitioners to exchange experiences on our respective social development strategies.

Social development has both national and international dimensions. An effective Social Development strategy has to ensure synergy between these two dimensions. It is a happy coincidence that it was South Africa that hosted the World Summit on Social Development in 2002.

We thus have a rich menu of political declarations and initiatives.

The question is what we - as India, Brazil and South Africa - can bring to the table based on our own real life experiences. We are pluralistic democracies, developing economies and aspire for rapid economic growth.

I am aware of President Lula's Bolsa Familia programme and President Mbeki's programme for Accelerated Skill Development.

India's current 11th Five Year Plan has been formulated on the basis of a political mandate for inclusive growth. Based on this vision of an equitable and prosperous world, we have in the last few years, put in place programmes which can accelerate the processes of development in an equitable, fair and all-encompassing manner.

Based on our common experiences, I would like to suggest that a Social Development Strategy could emerge from the IBSA process having some of the following eight elements:

Rapid Economic Growth: It is only within the framework of a rapidly expanding economy can we generate the necessary resources for investing in social development. We have to have faith in the creativity and enterprise of our people and create favourable conditions for these to have full play.

Inclusivity: Economic growth cannot happen in isolation. Unless all sections of society derive benefits from such growth and develop a stake in the growth process, we will be courting social and political instability. Disparities of any type - regional, gender, inter-community, inter-group - harm the growth process in the long run. However, addressing this aspect is easier said than done. All of us have diverse experiences which we need to share and learn from.

Human Resource Development: While growth processes may be favourable, it is essential that people are empowered and enabled to become active participants in these processes. The key to this is education and skill development. Adequate resources need to be committed to education and skill development at all levels.

Focus on equitable infrastructure: Often, the infrastructure needs of the poor are neglected. But they are important facilitators of growth. There must be adequate investment in rural infrastructure and connectivity, clean drinking water, sanitation facilities, health care and social welfare.

Short term distress mitigation: While most social development investments pay off in the medium term, the problems of unemployment and threatened livelihoods need to be addressed in the short term. Focused employment generation programmes linked to food security initiatives can provide immediate relief and succour.

Grassroots Institution Building: There is a need to ensure participatory democracy and effective governance at local levels. These institutions facilitate ownership of governance processes and social and economic mobility. Civil society action must be encouraged.

Environmentally sound strategies: Any growth strategy should be designed to minimize its adverse environmental effects. The world cannot sustain highly consumptive societies on the pattern of some of the developed economies. We need to search for more sustainable alternatives for the good of all.

Integration into the Knowledge Economy: As the world advances into the knowledge era, education, skills and access to knowledge become key drivers of development. We need conscious efforts to ensure that all sections are in a position to participate in this transition - which takes us back to the need for human development.

I would like to see IBSA mechanisms taking concrete steps to translate some of these principles into action through collaborative effort. We could consider some joint initiatives on some of these elements as well.



166. Remarks by Prime Minister at the interaction with the IBSA Business Council Meeting.

Pretoria, October 17, 2007.

Your Excellency President Mbeki,

Your Excellency President Lula,

Distinguished captains of business and industry,

Ladies and Gentlemen,

I am particularly happy that the Business Forum has become an integral part of the IBSA process. A strong trade and economic partnership is essential for the success of IBSA.

India, Brazil and South Africa are amongst the most dynamic developing economies of the world. We have obvious complementarities and strengths that we ought to share and build upon.

We have set ourselves a modest target of 15 billion dollars by 2010 for trade among our three countries. My suggestion to our business leaders would be to aim to achieve this by 2009 and then go on to double that by 2012. Business must be pro-active.

We in government assure you that we will endeavour to create the necessary environment for closer intra-IBSA trade and investment. We also hope that the Business Forum will work actively to create awareness of the opportunities that our three large markets provide.

Each of us has strengths in Science & Technology. I would urge the business leaders present to look at innovative approaches to exploit these strengths including through joint R&D projects, particularly in sectors such as manufacturing, pharmaceuticals and ICT.

Energy security is a major challenge confronting us. We should use synergies in this area to our common benefit. Brazil has comparative strengths in ethanol and bio-fuels; South Africa in Coal to Liquid and Gas to Liquid technologies. India has strengths in wind and solar energy. We need to look at how trilateral ventures in these areas can be made viable business models.

Business also has a social responsibility. Within IBSA, we are in the process of elaborating a common Social Development strategy. We would welcome inputs from the business community to shape an effective public-private partnership in this area.

Let me conclude by emphasizing how important it is for our business and industry to come together if we are to realise our objective of integrating our economies.

Thank you.



167. TSHWANE Declaration issued at the end of the IBSA Summit.

Tshwane, October 17, 2007

1. The Prime Minister of India, H.E. Dr Manmohan Singh, the President of Brazil, H.E. Mr. Luiz Inacio Lula da Silva, and the President of South Africa, H.E. Mr. Thabo Mbeki (thereafter referred as the leaders) met in Tshwane, South Africa, on 17 October 2007, for the 2nd Summit of the India-Brazil-South Africa (IBSA) Dialogue Forum.
2. The leaders recognised that since its inception in 2003, the IBSA Dialogue Forum provided a strong framework for trilateral cooperation in several key sectoral areas amongst IBSA partners. They noted that IBSA also provides them an important instrument for cooperation on regional and international issues and promoting the interests of the developing countries, thus contributing to the strengthening and deepening of South-South cooperation.
3. The leaders adopted the outcome of the 4th Ministerial Commission held in New Delhi on 17 July 2007.
4. The leaders recommitted themselves to vigorously pursue the deepening of South-South cooperation for sustainable development. They reaffirmed their shared commitment to the eradication of poverty through sustained and inclusive economic growth. They highlighted the importance of implementing the principles adopted in the Rio Declaration, Agenda 21 and the Johannesburg Plan of Implementation of the World Summit on Sustainable Development, particularly the principle of common but differentiated responsibilities and emphasized that capacity and institution building is a key to global sustainable development.
5. The leaders acknowledged with appreciation the continued participation by academia and business leaders. The leaders are satisfied that the participation by civil society contributed to the enhancing the visibility of IBSA. They also applauded the commitment by the peoples of the three countries to participate at the Music and Dance Festival in Brazil later in October 2007.
6. The leaders welcomed and applauded the coming together of parliamentarians from India, Brazil and South Africa and the fruitful

talks they had as an important contribution to people to people relations and strengthening of the IBSA Dialogue.

7. The leaders welcomed and fully supported the launch of the Women's Forum which strengthens participation of women in IBSA and recognised the fundamental contribution of women in the social, cultural and economic development of India, Brazil and South Africa. They reaffirmed their commitment to the promotion of gender equality and women's rights.
8. The leaders reiterated the importance of strengthening the global governance system as it forms a critical ingredient for promoting peace, security and sustainable socio-economic development. They reaffirmed their abiding commitment and faith in multilateralism, with the United Nations playing the pre-eminent role. They reiterated that the international system cannot be reordered meaningfully without a comprehensive reform of the United Nations. The leaders emphasized that the reform of the Security Council is central to this process to ensure that the UN system reflects contemporary realities. They expressed their full support for a genuine reform and expansion of the Security Council, in permanent and non permanent categories of membership, with greater representation for developing countries in both. They reiterated that inter-governmental negotiations on the issue of Security Council reform must commence forthwith. They agreed to further strengthen cooperation amongst their countries and with other member states interested in a genuine reform of the Security Council. They also reaffirmed the need for concerted efforts by member states towards revitalisation of the General Assembly.
9. The leaders emphasised their commitment to the goal of the complete elimination of nuclear weapons and expressed concern over the lack of progress in the realisation of this goal. They emphasised that nuclear disarmament and nuclear non-proliferation are mutually reinforcing processes requiring continuous, irreversible progress on both fronts, and reaffirmed, in this regard, that the objective of non-proliferation would be best served by the systematic and progressive elimination of nuclear weapons in a comprehensive, universal, non-discriminatory and verifiable manner. They further emphasized the necessity to start negotiations on a phased programme for the complete elimination of nuclear weapons with a specified framework of time to eliminate nuclear weapons, to prohibit their development,

production, acquisition, testing, stockpiling, transfer, use or threat of use, and to provide for their destruction.

10. The leaders strongly emphasized the need for ensuring the supply of safe, sustainable and non-polluting sources of energy to meet the rising global demand for energy, particularly in developing countries. In this context, they agreed to explore approaches to cooperation in the peaceful uses of nuclear energy under appropriate International Atomic Energy Association (IAEA) safeguards. They further agreed that international civilian nuclear cooperation, under appropriate IAEA safeguards, amongst countries committed to nuclear disarmament and non-proliferation objectives, could be enhanced through acceptable forward-looking approaches, consistent with their respective national and international obligations. They also reiterated the importance of ensuring that any multilateral decisions related to the nuclear fuel cycle do not undermine the inalienable right of States to pursue nuclear energy for peaceful purposes in conformity with their international legal obligations.
11. The leaders called for the international community to work together on Climate Change under the United Nations Framework Convention on Climate Change in accordance with the principle of common but differentiated responsibilities and respective capabilities. They urged all developed countries to take more ambitious and quantifiable GHG emission reduction targets in the post 2012 period under the Kyoto Protocol. Moreover they stressed the imperative of addressing unsustainable patterns of production and consumption. This would also spur the Carbon market and significantly enhance the Clean Development Mechanism's contribution to sustainable development, financial flows and transfer of clean technologies to developing countries. They urged that significant progress is needed in Bali in December 2007.
12. The leaders stressed the disproportionately high impact of Climate Change on developing countries with their greater vulnerability, inadequate means and limited capacities to adapt to its effects. They emphasised the importance for adequate, new and additional financing for the adaptation efforts of developing countries without diverting resources for development. There should be no foreclosure of opportunities for developing countries to secure the technological and financial resources required for adaptation through development.

13. The leaders urged an agreement on innovative modalities for the development, transfer and commercialization of technologies, including clean coal technologies, at affordable costs to developing countries noting that rewards for innovators need to be balanced with common good for humankind. They also urged the international community to work in a collaborative manner for the development and deployment of renewables, biofuels and biomass, and advanced clean technologies. In this connection they welcomed the work done by the International Forum on Biofuels and underlined the importance of the International Conference on Biofuels, to be held in 2008.
14. The leaders reaffirmed their commitment to the promotion and protection of human rights for all. They expressed their commitment towards developing the institutional framework of the Human Rights Council, including the Universal Periodic Review Mechanism, based on effective international cooperation. They reaffirmed their determination to work towards the operationalisation of the right to development.
15. The leaders reaffirmed that terrorism constitutes one of the most serious threats to international peace and security. They strongly condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose. They stressed that there can be no justification, whatsoever, for any acts of terrorism. They emphasized the need for concerted and cooperative action by the international community to realize the objectives of eradicating terrorism in all its forms and manifestations. In this regard, they called for the early adoption of a Comprehensive Convention against International Terrorism. They emphasized that international cooperation in combating terrorism should be conducted in conformity with the principles of the UN Charter, relevant UN Resolutions and International Conventions, and Human Rights.
16. The leaders noted the progress being made on the African continent towards the achievement of peace, security, stability and development. They reaffirmed their determination to support these efforts while noting the inextricable link between peace and security on the one hand, and development on the other. They commended the efforts of the African Union and noted the ongoing work to strengthen its structures.
17. The leaders reiterated their firm belief in the New Partnership for

Africa's Development (NEPAD) a key framework for socio-economic development in Africa. They acknowledged that the Pan-African Infrastructure Development Fund will, as it evolves, help accelerate Africa's growth and development to meet the objectives as set out in the NEPAD. In this regard, the IBSA partners agreed to associate with the development of the fund in accordance with their respective rules and regulations.

18. The leaders called upon all parties in the Sudan to recommit themselves to the implementation of the Comprehensive Peace Agreement (CPA) to its spirit and letter, as it is the viable option to the resolution of the conflict in the Sudan. They urged all parties involved in the conflict in Darfur to participate in the forthcoming Darfur peace talks in Libya. In the same vein they expressed their concern at the increasing violence in Darfur, and in this respect, call on all the parties in Darfur to exercise restraint. They call upon the international community to provide financial and material support for the deployment of the UN-AU Hybrid Force and the alleviation of the humanitarian situation in Darfur.
19. The leaders reflected on the situation in Zimbabwe and took note of the positive progress of the Southern African Development Community (SADC) initiative to promote a negotiated political solution in Zimbabwe between the Government of Zimbabwe and the opposition party, under the facilitation of President Thabo Mbeki. They reiterated the need for the international community to continue its support for the people of Zimbabwe in order to overcome the challenges they are facing.
20. The leaders reaffirmed their long-term commitment for a democratic, prosperous and stable Afghanistan. They reiterated that a coherent and united international effort, in its military, political and developmental aspects, to assist the Government of Afghanistan remained vital. They underlined their centrality of the regional aspect in the reconstruction and development process. They strongly condemned the continued terrorist attacks by the Taliban on aid-workers, civilians, Afghan and international forces. They agreed that the international community needed to act resolutely and with determination, in coordination with the Government of Afghanistan, in facing the challenge of the resurgence of the Taliban and Al Qaeda.
21. The leaders reflected upon the Middle East Peace Process, and looked forward to progress towards goals of the Arab and all other major

ongoing peace initiatives, including elements of the Roadmap, by means of intensified and meaningful dialogue among Israel, Palestine and other countries resulting in the establishment of an independent, sovereign, viable and united state of Palestine, living side by side at peace with Israel, within recognized and well-defined borders.

22. The leaders, in recognition of the many commonalities in the three countries in the socio-economic areas, welcomed the preparation of an integrated IBSA Social Development Strategy which will build on the best practices of the three countries for serving as a blue print for South-South Cooperation.
23. The leaders noted that WTO Doha Round of trade negotiations is entering a critical stage. These negotiations are now in a genuine multilateral process, with draft modalities texts for agriculture and industrial goods that provide a good basis for negotiations. They reaffirmed their commitment to carry out negotiations towards an outcome that is fair and acceptable to all.
24. The leaders reiterated the importance of the development dimension of the Round and welcomed the strengthened engagement, solidarity, and cooperation among developing countries in that process.
25. The leaders underlined that agriculture remains the key to the conclusion of the Round. To truly deliver on the development benefits of the Round, they called for the removal of long-standing distortions and restrictions in international agricultural trade, such as subsidies and trade barriers that affect the agricultural exports of and domestic production in developing countries. They also asserted that developed countries must agree to substantial and effective cuts in the latter's trade distorting support, with new disciplines that prevent box shifting and commit to real and new trade flows in agriculture. They underscored that meaningful and operable special and differential treatment, which includes development instruments of Special Products and the Special Safeguard Mechanism are vital to address the concerns of developing countries with subsistence and low-income farmers.
26. The leaders emphasized that any progress towards achieving the above goals is a development imperative and should not be linked with meeting the disproportionate demands by developed countries in the NAMA and services negotiations.

27. The leaders asserted that developing countries have been constructive and willing to negotiate in all areas. They urged others to act with the same disposition.
28. The leaders recalled their commitment to making a contribution to market opening in the Doha Round in agriculture, NAMA, and services that will create new trade flows. They also committed to ensure that the process of the negotiations is not held hostage to - who goes first? They reaffirmed their conviction that all members must move together to arrive at a balanced and fair outcome of the negotiations.
29. The leaders stated that through constant dialogue, reciprocal flexibility, non-dogmatic approach and good faith efforts, full modalities in the agriculture and industrial goods negotiations could be achieved before the year-end, together with equivalent results in other areas. They reaffirmed their commitment to achieving such a positive outcome within this framework.
30. The leaders underscored the importance of incorporating the development dimension in international discussions concerning intellectual property. They reaffirmed that intellectual property is not an end in itself, but one of the instruments to encourage innovation for technological, industrial and economic and social development. They also recalled that it is fundamental to preserve policy spaces necessary for ensuring access to knowledge, promoting public goals in the fields of health and culture, and a sustainable environment. In this context, they welcomed the adoption of 45 recommendations of concrete actions regarding the Development Agenda by this year's WIPO General Assembly, as well as the establishment of the WIPO Permanent Committee on Development and Intellectual Property.
31. The leaders reaffirmed the need to reach a solution for the problem raised by the granting of intellectual property rights on biological resources and/or associated traditional knowledge, without due compliance with relevant provisions of the Convention on Biological Diversity, such as the granting of erroneous patents or the registration of undue trademarks. In this regard, they recalled the presentation in the WTO of the proposal co-sponsored, among others, by the three IBSA countries to amend the TRIPS Agreement by introducing a mandatory requirement for the disclosure of origin, prior informed consent, and also fair and equitable benefit sharing of biological resources and/or associated traditional knowledge used in inventions for which applications for intellectual property rights are filed.

32. The leaders welcomed the ongoing discussion in the Inter-Governmental Working Group (IGWG) on Intellectual Property and Public Health of the World Health Organization. They stated the important role of WHO in the discussion of the impacts of intellectual property protection on public health and on the access to medicines.
33. The leaders agreed to work towards a trilateral initiative on cooperation in the field of Intellectual Property Rights (IPR) concerning capacity building activities, human resource development and public awareness programmes.
34. The leaders reaffirmed their commitment to the envisaged India-MERCOSUR-SACU Trilateral Free Trade Agreement (T-FTA), and welcomed the initial meeting amongst the representatives of SACU, MERCOSUR and India on a possible T-FTA during the exploratory discussions held in Pretoria on the 6th October 2007. They also noted with satisfaction that all sides agreed to continue discussions on the trilateral trade arrangement. They urged the need for sustained efforts to realize early an India-MERCOSUR-SACU FTA. In this regard, the leaders supported the proposal to hold a Trilateral Ministerial meeting in 2008. They also welcomed the significant progress made in MERCOSUR-SACU negotiations in Pretoria, on the 8-9 October 2007, as well as the launching of the SACU-India negotiations in the meeting held in Pretoria on 5 - 6 October 2007. MERCOSUR-SACU, MERCOSUR-India and India-SACU negotiations laid the basis for achieving the goal of a T-FTA.
35. The leaders expressed the importance of regular interaction among businesspersons of the three countries, with Government authorities playing a facilitating role in the process, for sharply enhancing the momentum of trade and investment with a view to fully utilising the large and growing opportunities in their markets. For the continued expansion of trade, investment and economic ties, the leaders encouraged the implementation of further initiatives amongst IBSA countries on standards, customs procedures, intellectual property rights, small and medium enterprise development, business-to-business linkages and participation in trade exhibitions.
36. The leaders underlined the need to provide a greater voice for and participation by developing countries in the Bretton Woods Institutions and expressed concern at the slow rate of progress that has been achieved so far. They acknowledged the role of the G20 as a key

forum on global economic development and governance, and looked forward to its contribution to accelerating governance reforms in the Bretton Woods Institutions.

37. The leaders expressed their concern that many developing countries are still far from achieving the Millennium Development Goals (MDGs). They expressed their determination to mobilize support in this regard, with the specific objective to intensify common efforts towards achieving the MDGs and other internationally agreed development goals embodied in the Monterrey Consensus. They particularly stressed the need to address the problem of developing countries debt, increase the Official Development Assistance (ODA) flows and reduce the inequalities in the international trading system. They committed to close cooperation amongst IBSA partner countries while preparing for the 'Financing for Development' Review Conference that will take place in Doha, Qatar, in the second half of 2008. In this regard, they emphasized the importance of enhancing international efforts to develop innovative financial mechanisms to fight poverty and hunger.
38. The leaders reiterated the importance and uniqueness of the IBSA Fund Facility for South-South Cooperation for the benefit of other developing countries. They noted with satisfaction the South-South Partnership Award received by the Fund from the UN. They also agreed for a more effective mechanism for the utilization of the Fund.
39. The leaders underscored the importance of vibrant sectoral cooperation for providing a firm foundation of the IBSA Forum.
40. The leaders stressed the need for improved air and maritime connectivity among IBSA countries for expanding trade, investment and tourism. In this regard, they encouraged the concerned authorities to work towards achieving this important goal on a priority basis. They expressed the hope that by the time of the Third Summit in India, effective and innovative solutions would have been put in place to mitigate this problem.
41. The leaders called for the establishment of joint projects and collaboration for the increased usage of alternative sources of energy such as biofuels, synthetic fuels, wind and solar energy to help achieve the objective of energy security which can bring significant reduction in GHG emissions.

42. The leaders expressed the need to promote and enhance cooperation among the IBSA partners in the ICT infrastructure development, including for the Soccer World Cup being hosted by South Africa and the Commonwealth Games by India in 2010,
43. The leaders welcomed the progress made in the sector of Education with the identification of areas of cooperation. In pursuance of this, they encouraged holding of workshops and seminars, exchange of information, and joint projects. They also welcomed avenues of cooperation among the diplomatic institutes of IBSA countries.
44. The leaders also called for an early implementation of the Action Plan in the sector of Health and called upon the IBSA Health Ministers to meet within the next three months. Cooperation in this area is of particular importance and needs to be energized.
45. The leaders appreciated the initiative being taken with regard to formulation of joint projects in the sector of Agriculture and expressed the need for their expeditious implementation, for the purpose of inclusive growth and benefits to farmers. They further expressed the need to explore cooperation in the field of food processing.
46. The leaders stressed the need to explore avenues of cooperation in the sector of defence for the common benefit of the three countries.
47. While underlining the importance of cooperation in the S&T sector, they emphasized the need for immediate action to start implementation of joint research projects. They welcomed the creation of a seed fund of US\$ 1 million in each country for collaborative activities.
48. The leaders welcomed the signing of MoUs and Agreements on cooperation in areas of Wind Resources, Health and Medicines, Culture, Social Issues, Public Administration, Higher Education and on Customs and Tax Administration Cooperation, which will help further deepen trilateral cooperation among IBSA partners.
49. The leaders supported the establishment of two additional Working Groups on 'Human Settlement Development' and 'Environment and Climate Change' to further enhance the scope of trilateral sectoral cooperation.
50. The leaders called for an intra-IBSA trade target of US\$ 15 billion by

2010 and urged business and industry to be even more ambitious and exceed this target.

51. South Africa and Brazil welcomed the offer by India to host the 3rd IBSA Summit in 2008.
52. The President of Brazil and the Prime Minister of India expressed their deep gratitude to the President and the people of South Africa for successfully convening the 2nd IBSA Summit which represented a new milestone in the progressive development of IBSA.



168. Salient features of MOUs/Agreements signed during the 2nd IBSA Summit.

Tshwane, October 17, 2007

Seven MoUs/Agreement were signed in the presence of Hon'ble Prime Minister of India and the Presidents of Brazil and South Africa during the 2nd IBSA Summit at Tshwane, South Africa on 17 October 2007. The salient features of these MoUs/Agreement are :

I. Agreement on Customs and Tax Administration Cooperation

The purpose of this Agreement is to strengthen trilateral cooperation with the objectives of : Facilitation of legitimate trade and investment; Combating commercial fraud, smuggling, drug trafficking, money laundering and other illicit international trade activities; Curbing abusive tax avoidance transactions, arrangements, shelters and schemes; and Strengthening the modernization programs of the administrations through capacity building and co-operation.

II. MoU on Public Administration and Governance

This MoU provides for cooperation in specialised areas such as e-governance, human resources development, anti-corruption and ethics, and accountability and transparency.

III. MoU on Cooperation in the Field of Health and Medicine

This MoU provides for development of a common strategy to tackle HIV/AIDS epidemic. The areas of cooperation include Tuberculosis (TB), Malaria, Pharmaceutical assistance, Procurement of medicines, vaccines, medical research and development, Traditional Medicine, Intellectual property rights and Disease surveillance.

IV. MoU on Cooperation in the Field of Education

The objectives of this MoU are creation of conditions for cooperation among academic institutions, faculties, researchers and students and by means of joint research projects; alignment of the higher education systems in the way that they relate to each other, to social and economic development, and to local communities; the strengthening of training and high-level professional development programmes; and enhancing the exchange of scientific information and specialized

documentation among the three countries. The focus areas identified are Engineering, Computer Sciences and Mathematical Sciences; Biotechnology, Agriculture and Livestock; Sustainable Development; Social Transformation and Empowerment; and Higher Education Studies.

V. **MoU on Cooperation in the Field of Social Issues**

This MoU envisages cooperation in the field of social development, poverty eradication, social security, social policy, monitoring and evaluation, institutional capacity building, micro-finance, and cooperation in multilateral fora.

VI. **MoU on Cooperation in Wind Resource**

The areas of cooperation under this MoU are wind power resource assessment, standards, testing facilities and certification procedures for wind resource systems, subsystems, and components; deployment of wind power systems; and design and development of wind power systems, especially for low wind regimes.

VII. **MoU on Cultural Cooperation**

This MoU aims to promote the exchange of cultural activities and expertise; develop cooperation in areas of preservation of historic, artistic, cultural heritage and as well as development of creative industries; encourage travel among three countries; and increase awareness amongst peoples of the concerned countries regarding IBSA as a brand name through cultural exchanges.



SAARC

169. Inaugural Address by Foreign Secretary Shivshankar Menon at the Conference of Editors from SAARC Countries.

New Delhi, February 9, 2007.

I am delighted to be here today with you at this conference, which is a first in many ways. It certainly is a first for us in the Ministry of External Affairs, to cooperate with a non-profit trust like the Media Development Foundation and I am very grateful to them for all that they have done to make this possible. It is also a first for us to be with such a distinguished gathering of media personalities from throughout SAARC to discuss all media issues. It is good to see some familiar faces and to be able to put faces to some of the names we have seen above articles which we read regularly. Welcome to all of you, welcome to Delhi.

We are less than two months away from the 14th SAARC Summit, so I thought it might be worth my while trying a few ideas with you and to see where we go from here. After all, SAARC has been in existence for 20 years. So, it is a rather sad commentary that this is the first time that we have a meeting of editors at this level in SAARC. It says something about SAARC and what we have been doing in the organization and in our region. I must be a minority of one in this room, because for me, SAARC actually has done all that could have been expected of it in its first twenty years. There is a general air of pessimism. I know conventional wisdom in South Asia is - look at SAARC, it has not done anything worthy while the other regional organizations are doing so much better. I don't think so, for two simple reasons. If you look at what SAARC started off as, it is an association of states and it is an association of new states, very new states. It is only natural that the first thing states, new states would do is to harden their borders and to assert their identities against each other, in a sense. I therefore, find it quite remarkable that twenty years ago we were wise enough to actually realize that we share a destiny, that we do have complementarities that we need to work with.

It seems to me that when we look at the various reasons for our unhappiness with SAARC, this general impression that SAARC has not achieved much, I think it is more of a measure of our realization of the potential of what we could do if we work together and the more we see the potential, the more

unhappy we are with SAARC. But then what do we do, it is our own SAARC after all, and it is for us to fix it and to enable it to achieve its potential. Fortunately, I think, we are now at a stage in South Asia, in the sub-continent, where I think we have a moment of opportunity to try and enable SAARC to achieve its potential, to try and realize its shared destiny, to use the complementarities that exist.

We are at this moment for several reasons. One is the result of several years of economic development in our own countries. We are not what we were, we as states in South Asia are not what we were 40-50 years ago. We today have the capacities and the potential to do things together which we did not have before. Secondly, we have, as I said, several years of experience of living together as States. We realize the extent of our interdependence, the extent to which we need each other, all of us. This has nothing to do with asymmetries of power, shape, size and whatever - we all need each other. India needs a peaceful periphery if we are to achieve our own goals for ourselves. It is in our self-interest to work with the rest of South Asia. I think the same is true of all of us. But we have that capacity today what we didn't have forty years ago, to work together. The second big reason, I think is technology and what it has done to our lives in the sub-continent. Apart from enabling us to leap-frog stages of development in certain sectors, I think in every sector that you look at, the whole technological revolution has changed our lives. For you I think this is most immediate. For the media, I think, you feel it every day.

You look at the music industry, what the internet has done to the music industry. I don't think that there is any part of our lives where you don't see this. Somebody said, I think, that we have moved from a mass market to a market which is a mass of niches, thanks to technology. But we can actually serve all these niches all at the same time today. It is the same thing in economic terms. We actually have the capacities thanks to technology. And most important I think, we have the basic political understanding today or the beginnings of the basic political understanding in place within the sub-continent, of where we want to go, of what we want to do and how we want to develop ourselves.

So, if we are at this moment of opportunity, if we do have a chance to actually make SAARC achieve its potential, what should we be doing? I think Prime Minister Manmohan Singh, expressed this most clearly at the Dhaka Summit last year, when he spoke and I quote of 'reconnecting the countries of sub-continent, on the one hand, and then re-connecting the

sub-continent to the larger Asian neighbourhood on the other.' This to my mind, represents not just a historic opportunity but actually a historic reversal where it enables SAARC to play its role, enables us to achieve our shared destiny and gives us a chance to overcome the limitations on our own growth which, quite frankly, we had imposed on ourselves. When we talk of reconnecting the sub-continent to itself and to the rest of the world, we think basically in two terms. One is of course, the business of physical connectivity between ourselves and there has been considerable progress or there are major plans in place to do so - to open up channels of communication, of transport. Once again, technology did a lot of this for us over the last twenty years and I think this is proof when you look at the content of the media today in any of our countries.

It draws a lot more from each other thanks to technology not because journalists were actually physically in each other countries, certainly not to the extent that we would like. But thanks to technology, we actually do know a lot more about each other now than we used to. Opening up channels of communication, provision of transit facilities, access to roads, railways, highways, waterways, air connectivity - these are all elements which it seems to us would be very useful if SAARC could work on. This would tie into the logic of not just our economic needs but also our globalized world where we can maximise the benefits of trade and commerce for our people.

But equally important to the business of physical and economic connectivity, I think, is the connectivity of the mind, the connectivity of ideas. This is really where your role is crucial. We have traditionally, I think, looked at borders as limits, as places in a military sense, in a security sense. Whereas, if you look at it civilizationally, traditionally borders are zones where nations, where cultures, where civilizations interact and it is only when we use borders in that sense - where ideas flow freely across those borders - that you've seen periods of historical growth, prosperity and of development. This is why we would attach great importance - in SAARC, in other fora, in any way that we can - to the free movement of media persons, of media products, of doing whatever we can to encourage the free flow of ideas. We need to do this because I think, so far, the flow of ideas has actually been much more limited, than even the flow of goods and services. It's sad. We actually have a deficit here in terms of thinking. Where there has been a flow of ideas, it has seldom been direct between the media in our separate countries, it is often intermediated by the rest of the world and comes to us through filters.

Now, I'd be very interested in, if by the end of your deliberations, we have a sense of what we as SAARC, as an association of states - and don't forget that in itself imposes a certain limitation about what it can do - could do to help in the free flow of ideas. I ask this because one of our great good fortunes in South Asia is the sheer quality of the media that we have. I don't think there are very many regions in the world that can match us in terms of the quality of the media. Maybe this is because of, you know, the principle of the survival of the fittest. We referred to the various pressures that the media operates under. Whatever the result, the fact is that we today have a media in South Asia which is among the best in the world and can match anyone else in the world. Therefore, my question to you is, please tell us what could we be doing in SAARC to encourage free flow of ideas, of media persons, of media products. This is something that we, as India, will certainly try in the SAARC Summit and during our year as Chairman to try and move forward.

I notice from your agenda that you are also speaking about the media and foreign policy. Now this in itself is a huge topic, I think it is also a very complicated topic. I am very glad that you are discussing foreign policy reporting because it is an aspect where again I think there has been too much intermediation and too little direct reporting. It is only in the last few years that I as a consumer have noticed that we are writing in each other's papers, we do get each other's points of view and some understanding of each others' attitudes, why foreign policy decisions are made. This is a very recent and very fragile phenomenon. I think we need much more of this and I would be very interested in the results of what you discuss.

Most important for us is the fact that you are all here, that you do have a very full and complex agenda over the next day and half and I look forward to hearing what you have to say and your framing the terms of the public debate in South Asia as we go forward in our attempt, as I said, to reconnect the sub-continent to itself and to the rest of the world. I wish you success and I hope you enjoy the experience. If you do, let's also think what we need to do in the future, whether there are ways of continuing this effort.

All the very best and thank you very much for the patient hearing.



170. Concluding Remarks by External Affairs Minister Pranab Mukherjee at the Conference of Editors from SAARC Countries.

New Delhi, February 10, 2007.

My distinguished friend, Mr. N. Ram, Mr. Sashi Kumar and Mr. Navtej Sarna, distinguished participants coming from SAARC countries.

I consider it a privilege for me to be amidst you in this concluding session. I am quite confident that two days of deliberations has reflected in the conclusion of a resolution. Of course, I have not been able to go through it totally, I just started reading and there would be some recommendations which will be also followed up in the subsequent conference. I am happy indeed to have this opportunity of welcoming you amidst us just on the eve of the 14th SAARC Summit which we are going to host in April. As I mentioned, I understand that the debate has been invigorating on critical issues facing the media of the South Asian sub-continent. It is particularly gratifying that this public-private enterprise launched by our Ministry and the Media Development Foundation has succeeded in bringing together such a distinguished gathering of editors from all the SAARC countries just weeks before we are to host the 14th SAARC Summit in New Delhi.

I have over the last few weeks, undertaken visits to all SAARC countries - Nepal, Sri Lanka, Bhutan, Maldives, Pakistan and Afghanistan carrying letters from our Prime Minister to the Prime Ministers and Presidents of those countries inviting them to attend the 14th SAARC Summit. I also extended invitation to my counterparts to participate in the 28th SAARC Council of Ministers Meeting scheduled to be held before the Summit. Only one member country of SAARC I have not yet visited, that is, Bangladesh which I would be doing shortly before the end of this month. My visits have not only provided me an opportunity to discuss matters of mutual interest but also strengthened in my mind the conviction that the South Asian sub-continent has a common future and we have to work together for it with mutual trust and confidence. For its part, India is committed to developing political relations with its South Asian neighbours on the basis of sovereign equality and mutual respect. What we seek is not an exclusive sphere of influence -as is often misunderstood- but a shared sphere of mutual development and cooperation. Our vision for the SAARC region is one of regionalism. India's strong support to the entry into SAARC as observers, among others - China and Japan - underlines our commitment to open

regionalism in the Subcontinent. In this context, I can also mention very recently we have revised the updated treaty with Bhutan which reflects the ground realities. The treaty which was signed in 1949 immediately after Independence of India required revision and we did so without any problems. This reflects that India wants to extend its hand of cooperation to all countries on the basis of sovereign equality and mutual respect.

India is conscious that no South Asian nation can succeed on its own. Globalisation and the advent of modern technology have endowed us with options that never existed before. We must create a stake for every nation in the economic success of the other. As we prepare to host the next SAARC summit, India will take the initiative in accelerating regional economic and political cooperation. We will play a positive role in the establishment of new trans-border transport networks and energy corridors so that the 14th Summit of SAARC countries gives a clear signal for improving the connectivity within the subcontinent by ensuring free flow of trade, commerce, goods, people and ideas. Only then can we effectively connect South Asia with the abutting regions of South East Asia, Central Asia and the Persian Gulf.

The media of the SAARC region has witnessed dynamic growth across media categories and such growth has thrown up quality issues in its wake. New technologies have blurred traditional distinctions between media formats and the convergence of formats has thrown up new challenges. Gatherings such as these can help share experiences from differing political milieus and lead to strategies that can harness the growth and power of modern media technologies for the good of the common man of the entire region. Given its immense reach, there is a need, perhaps more than ever before, for the media to be fully aware of its own power and its responsibility it bears for creating proper understanding between neighbouring countries. In many ways, the media is the torch-bearer of better people-to-people contacts. This only highlights the need for media persons as well as media products to move easily across our borders. One sentence from any one you have the potential to reach millions. It can correct a wrong; it can create an image; it can plant a seed of understanding. I would encourage that such conferences be held regularly, already you have decided to have the next one in Karachi, so that the full potential of the media in helping create a peaceful and closely integrated neighbourhood is realized.

Thank you.



171. Press Release of the Ministry of External Affairs on the SAARC Car Rally 2007.

New Delhi, February 15, 2007.

During the 13th SAARC Summit in Dhaka in November 2005, Prime Minister Dr. Manmohan Singh, put forth a bold new vision of an interconnected South Asia. Emphasizing the need for reconnecting the countries of the subcontinent, and then reconnecting the subcontinent to the larger Asian neighbourhood, he offered transit facilities on a reciprocal basis to all the SAARC countries, including on open skies policy. He proposed that we organise a South Asian Car Rally in the run up to the next SAARC Summit, in New Delhi. The Rally would symbolize our regional identity, highlight our regional connectivity and draw attention to the need to improve our SAARC transport infrastructure.

All the SAARC countries have welcomed this proposal and are cooperating, extending their full support and hospitality for the successful implementation of the SAARC Car Rally. The Rally symbolizes the spirit of SAARC, where our cultural and civilisational commonality translates to bring about a very high degree of connectivity amongst the countries of our subcontinent. The motto of the Car Rally, "Connecting People, Strengthening ties", captures this spirit.

The Car Rally, comprising of teams from all the countries in the region, will cover a total distance of more than 8,000 kms, in 31 days. It will travel to all the SAARC countries. It will start from Cox's Bazaar on March 15 to reach New Delhi during the 14th Summit, on April 3-4, 2007 and finally conclude in Maldives on April 14.

The Rally is being implemented in partnership with the Confederation of Indian Industry (CII), as a public-private partnership. The private sectors in the other SAARC countries are also participating as sponsors. This highlights the role and contribution that the private sector plays in our growth and development. A series of promotional events have been planned in some of the major cities in the region. These will focus attention on our rich cultural heritage, our shared history, encourage people-to-people contact and generate goodwill. It is hoped that the Rally will boost intra-regional trade and promote tourism, business and investment opportunities in the region.



172. Opening Remarks by Minister of State in the Prime Minister's Office Prithviraj Chavan at the media launch for the SAARC Car Rally.

New Delhi, February 15, 2007.

Distinguished Guests, Distinguished members of the Media, Ladies and Gentlemen.

I warmly welcome you all to the Media Launch of the SAARC Car Rally and its website.

During the 13th SAARC Summit in Dhaka in November 2005, Prime Minister Dr. Manmohan Singh had proposed that we organise a South Asian Car Rally. Speaking at the Summit, he said, and I quote,

"If we wish the next twenty years of SAARC to be different, we should take the first decision to reconnect the countries of the subcontinent on the one hand and then reconnect the subcontinent to the larger Asian neighbourhood on the other. We need to recharge and regenerate the arteries of transport and communication that bind us together and in turn link our region to the rest of Asia to reclaim the prosperity that is undoubtedly our due. In pursuit of this vision, let us agree, at this Summit, that all South Asian countries would provide to each other reciprocally, transit facilities to third countries, not only connecting one another, but also connecting to the larger Asian neighbourhood, in the Gulf, Central Asia and South-East Asia. India, which borders each of the members of South Asia, is willing to do so.

In this context, I am happy to announce that India offers to hold a South Asian Car Rally. This would be a run-up to our next Summit. It would symbolize vividly our regional identity and also draw attention to the urgent need to improve our SAARC transport infrastructure".

It is a matter of happiness therefore that all the SAARC member countries have welcomed this proposal with enthusiasm. This is indicative of the spirit of SAARC, symbolizing our cultural ties, our social bonds and our geographical connectivity. Preparations are now underway for a successful implementation of this event.

As you would have learned already, the Rally will cover a total distance of more than 8,000 kms, in 31 days. It will travel to all the SAARC countries.

The Rally will be flagged off by Bangladesh, the current Chair of SAARC, from Cox's Bazar on March 15. It will reach New Delhi during the 14th Summit, when India will assume the Chairmanship of SAARC and finally conclude on April 14 in Maldives.

As a curtain raiser to the 14th SAARC Summit, it will also capture the theme of the Summit, i.e. to reconnect the subcontinent to itself and to the rest of the world.

Let me add here that the 14th SAARC Summit will be a landmark Summit as for the first time in the history of SAARC, it will enlarge its membership to include Afghanistan as a member. We expect Afghanistan to join the Car Rally as full members of the regional grouping. Afghanistan's presence in SAARC will complete South Asia's regional entity and also provide connectivity to Central Asia and beyond.

A unique feature of the Rally is that it is being implemented in all the SAARC countries as a public-private partnership. It highlights the tremendous role and contribution that the private sector plays in our growth and development. A series of promotional events have been planned in some of the major cities in the region. These will focus attention on our rich cultural heritage, our shared history, encourage people-to-people contact and generate goodwill. The Rally has tremendous potential in giving a boost to intra-regional trade and promoting our tourism, business and investment opportunities in the region. It is therefore a fitting tribute to the conclusion of 2006 as the SAARC Year of Tourism.

South Asia is a common cultural and economic unit. Our destinies are linked. We can translate our political boundaries and bring about a very high degree of connectivity amongst the countries of our subcontinent. India has long argued that if South Asia is to become a dynamic component of the larger process of regional cooperation and globalization that is taking place in the world, it must first bring about economic integration amongst itself. If countries in South Asia have to remain focused in its goal of improving the life of its people, then they must start looking at national boundaries not as impenetrable walls, which protect us from the outside world, but rather as connectors to the outside world. The Car Rally, with its Motto, "Connecting People, Strengthening ties", will demonstrate this regional connectivity.

I take this opportunity to express my gratitude to all the SAARC member countries in extending their full support and hospitality to the Car Rally. I also take this opportunity to congratulate the Indian team comprising of

representatives from different Ministries in the Central government and participating State Governments in India and other agencies and our partners, the CII in translating our vision of an inter-connected South Asia into a reality. My sincere thanks go out to the sponsors from the private sectors of all the SAARC countries that have lent their support in making this Rally a success.

Thank you.



173. Inaugural Address by External Affairs Minister Pranab Mukherjee at the Second SAARC Business Leaders' Conclave in Mumbai.

Mumbai, February 17, 2007.

Dasho Ugen Tsechup Dorji, President of the SAARC Chamber of Commerce and Industry, Lyonpo Chenkyab Dorji, Secretary General of SAARC, Mr Habil Khorakiwala, President of FICCI, Dr. Amit Mitra, Secretary General of FICCI, Distinguished Business Leaders and participants, Ladies and Gentleman,

I am delighted to have this opportunity to participate in the Second SAARC Business Leaders' Conclave. I extend a warm welcome to the delegates from our neighbouring countries. I also wish to commend the SAARC Chamber of Commerce and Industry (SCCI) and their partners in the respective national chambers of commerce and industry for their activities in energizing this apex body of SAARC whose initiatives have played a constructive role in facilitating greater private sector interaction and partnership in our region.

2. The theme of the Conclave, "Regional Cooperation: A Springboard for Growth and Job Creation", is of relevance to our region today. Most economies of South Asia have shown remarkable improvements in economic growth and many have grown at an average of close to 6 % per annum for the last decade or so. While this has helped South Asia reduce poverty and raised the living standards of its people, it has also attracted the international community's attention to our region.
3. Together with growth, policy reforms have resulted in a greater

integration of South Asian countries with the global economy. Deregulation has enhanced the role and efficiency of the private sector.

4. However, it is ironical that while South Asia has made significant progress in integrating with the global economy, its integration within the region remains limited. South Asian countries have maintained a higher level of protection within the region than with the rest of the world. Our restrictive policies have neutralized the benefits of cultural affinity and geographical proximity. Restrictions on freer movement of goods and people within the region mean that intra-regional trade is the lowest for South Asia. There is little cross-border investment and equally little flow of ideas, as measured by the cross-border movement of people, or the number of telephone calls, or the purchase of technology and royalty payments - all these are all too low for a region with our potential. Poor connectivity and concerns about security have all contributed to South Asia being the least integrated region in the world.
5. With the 14th SAARC Summit less than two months away, this is an appropriate time to suggest some concrete solutions. The 14th Summit will be a landmark Summit for SAARC. For the first time in its history, SAARC would enlarge its membership. We eagerly look forward to receiving Afghanistan as the eighth member of SAARC. This will not only complete its regional identity but also provide SAARC a gateway to Central Asia. This is also the first time that five Observers from outside the region - China, European Union, Japan, Republic of Korea and the United States - would be associated with SAARC. I am confident that these external linkages will benefit SAARC and assist in its global integration.
6. An important subject to be discussed in this Conclave is the issue of Connectivity. You would all recall that during the 13th SAARC Summit in Dhaka, Prime Minister Dr. Manmohan Singh had put forth a bold new vision of an interconnected South Asia. He called for "reconnecting the countries of the sub-continent on the one hand and then reconnecting the continent to the larger Asian neighbourhood on the other". He shared these thoughts at the First SAARC Business Leaders' Conclave Meeting in November 2005 as well.
7. Connectivity implies several things-physical connectivity, economic connectivity and a connectivity of people and ideas. Physical

connectivity would open up the channels of communication and transport. The provision of transit facilities, access to roads, railways, waterways and increased air connectivity are all elements of this. As India prepares to take over the Chairmanship of SAARC, we would like to move this idea forward in all its aspects.

8. To highlight the need to upgrade our connectivity, the SAARC countries are organizing the SAARC Car Rally as a curtain raiser to the 14th Summit. The Rally will symbolize vividly South Asia's regional identity, its geographical connectivity and draw attention to the urgent need to improve regional transport infrastructure. It is intended to promote people to people contact, tourism and business and investment opportunities in the region.
9. An important aspect of economic connectivity is freer trade in the region. A smooth and complete implementation of SAFTA is therefore imperative. SAFTA can be an important instrument to deepen intra-regional trade if it is implemented in letter and spirit. Full implementation of SAFTA will catalyze other areas of economic integration, including enlarging the scope of SAFTA to services and investment.
10. Regional integration also provides opportunities to make progress in other areas of regional cooperation. Some of these opportunities include addressing the problems of energy shortage, the constraints of transit for land-locked regions of our subcontinent and overcoming high transaction costs due to poor trade facilitation across regions. Regional cooperation on transport and trade facilitation can transform these land-locked regions into land-linked regions. The SAARC Multimodal Transport study has given important suggestions which should be carried forward.
11. There are other areas where the region can benefit through cooperation. These include tourism, education, health, and professional services. All these can lead to positive benefits, including peace dividends through regional cooperation.
12. If it is the responsibility of the Governments to create an environment conducive to improved economic performance, it is equally the responsibility of businesses to ensure that our firms become globally competitive. Our entrepreneurs must be prepared for faster regional integration. As the region's largest economy, we are conscious that we have the biggest responsibility. We are prepared to play that role.

13. The destiny of the people of South Asia is interlinked. India cannot be a prosperous, dynamic economy, if our neighbourhood as a whole is also not economically prosperous and politically stable. Similarly, our neighbours cannot prosper if India does not do so as well. There are enormous opportunities and vested interests for promoting mutually beneficial cooperation in South Asia.
14. Business and trade flourish in an environment of security. Therefore, it is imperative to fight unitedly the scourge of terrorism and extremism that haunts our region. Terrorism, by whatever name, has no place in civilized societies. We all know that in an interconnected region, and in our globalized world, the consequences of both poverty and insecurity are indivisible. Business leaders understand this very well. Every country in the region wants to attract more foreign investment. We therefore have a collective stake in ensuring peace and security here because no investor will come to this region if there is no assurance of peace and security. We must join hands to put our collective house in order, as peace and security in the region will benefit us all.
15. It is incumbent upon all of us to think of our region's future, and the need to build a progressive and equitable society. The SAARC Chamber of Commerce and Industry came into being with these objectives. I urge you to continue to your work in that spirit and wish this Conclave all success.

Thank you.



174. Speech by the External Affairs Minister Pranab Mukherjee at the RIS/SACEPS Conference on "Economic Cooperation in SAARC: SAFTA and Beyond".

New Delhi, March 19, 2007.

Dr. Arjun Sengupta, Syed Babar Ali, Dr. Nagesh Kumar, Distinguished delegates to this Conference, Ladies and Gentlemen:

I am glad to have this opportunity of addressing you at this Regional Conference on Economic Cooperation in SAARC, which could not have been timed better. In ten days from now, we start our deliberations to prepare for the 14th SAARC Summit in New Delhi on April 3-4, 2007. India is keenly looking forward to receiving leaders from the rest of the subcontinent for the Summit, which, we hope, will turn out to be a landmark in the evolution of South Asian regionalism. I believe that 60 years after the subcontinent achieved independence, the region is poised at the cusp of a historic transformation, which has the potential to bring about revolutionary change in the lives of all the peoples of SAARC. Naturally, this change can come about only if we are all willing to recognize the opportunities before us and reach out and grasp them. Letting these opportunities pass us by will only lead to our region falling further behind, while the rest of an increasingly integrating world economy marches ahead. Positive and concrete action is needed, therefore, if the 14th SAARC Summit is to signify more than a mere date and a place. The Summit and its preceding meetings will discuss ways to upgrade regional economic cooperation, including SAFTA and I am certain this Conference will provide us useful inputs.

For more than twenty years now, we in South Asia have attempted to pursue our own separate paths of economic development, while talking about regional cooperation on the sidelines. One result has been a high price paid in terms of the opportunities lost for regional cooperation. The underlying concept of a regional cooperation organization is sharing and exchange - sharing space, resources and talent and exchanging goods, services and ideas. In the past, unfortunately, all that South Asia could share or exchange was poverty. Indeed, the "poverty trap" that engulfed South Asia for so long also tended to limit our imagination in the past about the possibilities for growing together in the region. Now, we must learn the slightly more complex art of sharing prosperity for mutual benefit. This requires a new mindset among our decision makers. A rising tide lifts all boats and sharing wealth, as the rest of the world has figured out, makes all nations richer.

As we assess the task before us, one thing is clear to me. There is today the real prospect of ending economic poverty in the SAARC region in our own lifetime. Thanks to the economic reforms of the last decade, historically unprecedented growth rates have now become the presumed norm in the subcontinent. And India is not the only one growing rapidly. Most of our neighbours, too, have turned in impressive growth trajectories in recent years. Despite many difficulties-political, social and environmental-economic growth in the subcontinent has now acquired a new traction. South Asia is now among the fastest growing regions of the world. As a consequence, we can begin to visualize the reduction of poverty levels in the subcontinent to single digit levels within the next decade. For the first time in centuries, the capacity to provide a decent life to all the citizens of our region is within our grasp.

I would venture to say it is in India's own national interest to see the rest of South Asia prosper. As the fastest growing economy of the region, India has the potential to become a growth opportunity for all our neighbours and I would invite all of them to see it as such. This potential can be fully realized if SAARC as a whole becomes more integrated. However, it is a matter of concern that while countries in South Asia are integrating with the global economy, they remain less integrated among themselves. Even after more than two decades, intra-SAARC exports are a mere 5% of the total exports of the region. Compare this with NAFTA, where intra-regional trade is nearly 52% of total trade, or the EU, where it accounts for more than 55% of the total. For those who choose to see something peculiarly Asian about our low figures, I would cite the similar figure for ASEAN - it is as high as 21.4%.

Therefore, I submit to you that if the SAARC region has to become a dynamic component of the larger process of regional cooperation and globalization that is taking place in the world, it cannot remain disconnected within itself. It must first bring about economic integration amongst the member countries and then with other regional organizations. Otherwise, it runs the risk of being left far behind by other regional organizations.

We have made a small beginning in this regard. The South Asian Free Trade Agreement is at once a visible symbol of the recent progress and the many difficulties that remain to be overcome. Its full implementation would go a long way towards enabling the region to begin to fulfill its undeniable potential. I would therefore urge that the realization of genuine free trade in the region not be undermined by linking it to extraneous political considerations. We have raised our serious concerns regarding non-

compliance with SAFTA by Pakistan and we expect it to revise its position to ensure that international commitments that it has solemnly undertaken are complied with. Otherwise SAFTA and the process of regional economic cooperation will continue to remain fragile. I would emphasize here that, in the subcontinent, we must begin to walk on both legs-simultaneously resolving political differences and expanding economic integration.

To be sure, there are many economic issues standing in the way of freer trade in the region. Many of our neighbours have expressed fears about Indian economic dominance in the context of an incipient liberal regional trading regime. The history of economic cooperation in other parts of the world, however, has shown that the smaller economies stand to gain more than the larger ones in a regional free trade arrangement. Several studies, including a study done by the State Bank of Pakistan, have shown that trade and businesses from the smaller countries are expected to be the biggest beneficiaries of SAFTA. India too has promised to review its non-tariff barriers and generate better access for our neighbours to the Indian market. It is a promise we intend to keep. We fully recognise that regional trade in South Asia is largely about India's trade with its neighbours. Barring Pakistan and Afghanistan, none of our other SAARC neighbours share frontiers with each other. The emergence of the Indian economy over the last few years as one of the fastest growing economies in the world offers opportunities of expanding markets, investments, technology and entrepreneurial resources for the countries in the region. Some successful examples already exist. India's FTA with Sri Lanka has helped it reduce its trade deficit with India. Bhutan's cooperation with India in tapping its hydro electrical potential has helped in its economic development. Trade creating investments in Nepal are yet another successful example of spurring bilateral trade. The growing purchasing power of Indians has helped boost tourism into Maldives, Nepal and Sri Lanka.

Today we are linking India into a web of partnerships with the countries of the region and beyond through free trade and economic cooperation agreements. We have concluded a Free Trade Agreement with Singapore and are in the process of negotiating with ASEAN. We are exploring similar arrangements with other Asian economies. This web of engagements may herald an eventual free trade area in Asia, covering all major Asian economies and possibly extending to Australia and New Zealand. This Pan Asian FTA could be the future of Asia and will, I am certain, open new growth avenues for our economies. It is therefore important that we assess South Asian economic cooperation in the larger Asian context.

Ladies and Gentlemen:

In addition to achieving regional integration, the other major transformation that we must attempt in the region is greater connectivity across South Asian borders. The idea of "open borders" has in fact become an alluring new theme in the sub-continental political discourse. This is not merely a romantic notion for liberal intellectuals in the urban areas of our region. For the many millions of people living in the border regions of the subcontinent, the notion of open frontiers is intimately connected to their own economic, social and political well-being. Because of the post-Partition political evolution of South Asia and the inward-looking nature of the economic strategies adopted by most countries of the region a few decades ago, many of the region's frontiers have become closed and hostile to movement of people and goods between states. As a consequence, many regions of South Asia, which for centuries were integrated economic and cultural spaces, have been torn asunder.

Today, amidst our economic globalization and regional trade liberalization, it is both necessary and possible to restore and upgrade many of the traditional trade and transport connectivities that linked different parts of the subcontinent. India strongly believes that the time has come for reconnecting South Asia within itself and to the rest of the world. Some small advances have already been made. One example is the revival of the old railway links between Rajasthan and the Sindh province in Pakistan, the expansion of bus services between the two Punjabs, the revival of the Srinagar-Muzaffarabad connection across the Line of Control and renewed road and rail transport links with Bangladesh. We are hoping for an early launch of the already agreed truck trade between Srinagar and Muzaffarabad road. After many decades, border trade has once again resumed between Sikkim and Tibet on the Sino-Indian border. Yet, we have a long way to go in realizing the full potential of open borders in the subcontinent.

It is indeed regrettable that when many regions of the world are rapidly pressing ahead with trans-regional highways, trade corridors and energy pipelines, South Asian nations have denied each other basic transit rights for overland trade in goods. Oddly enough, some of our neighbours support movement of goods one way, but oppose two way transit arrangements. We believe the entire region stands to benefit if we end all the current restrictions on overland trade among the nations of the subcontinent. We have expressed interest in transit facilities via Pakistan for overland trade

with Afghanistan. We are also keen on a similar arrangement with Bangladesh to link up with our own North Eastern region and South East Asia. Positive responses to these possibilities would allow our neighbours to simultaneously leverage the growing strength of the Indian market as well as their own geographic location. Comprehensive transit arrangements in South Asia, then, will see everyone win and no one lose.

What applies to transport connectivity also holds true for energy cooperation in the subcontinent. If we can depoliticize cross-border energy projects and create a framework for mutually beneficial energy interdependence, a whole lot of options open up-from large scale trans-border energy projects to more local interconnectivity between electricity grids.

Previous SAARC Summits, particularly, the more recent Summits held in Islamabad and Dhaka, have also acknowledged the need to improve connectivity. The SAARC Summit in Dhaka, in particular, reiterated "the need to strengthen transportation and communication links across the region for accelerated and balanced economic growth" and agreed to undertake trade facilitation measures, including transit for enhancing intra-regional trade and other economic activities. At Dhaka, Prime Minister Dr Manmohan Singh also put forward a bold new vision of an inter-connected South Asia, for freer movement of people, goods and ideas. We hope that the 14th Summit will carry forward this theme of regional connectivity.

The SAARC Regional Multi-modal Transport Study has also made important recommendations for enhancing transport connectivity amongst SAARC countries. Our transport infrastructure, fractured by the partition of India, now needs to be rebuilt. The entry of Afghanistan as the eighth member of SAARC makes the idea of connectivity even more important for all of us. It provides the region a gateway to Central Asia and beyond. South Asia already has linkages with East Asia. An enlarged pan-Asian connectivity can help us recreate a new Silk Route with South Asia as the hub. A first step would be a coordinated and focused commitment of SAARC member states to resolve the identified and non-identified physical barriers, and put in place a regional multi-modal transport system.

There are several trade facilitation related issues that must also be addressed collectively. These include harmonizing and simplification of customs and other procedures, standardization, reciprocal recognition tests and certification and banking facilities. The complementarities in our region should encourage us to expand the scope of SAFTA to cover trade in the services sector. We also hope that we can finalize the Agreement for

Promotion and Protection of Investments, which will contribute meaningfully to further economic integration in the region.

India is a very strong advocate of collaboration in regional projects, particularly in areas such as infrastructure, poverty alleviation and dealing with cross border challenges such as natural disasters, public health and terrorism. India's offer of US \$ 100 million could be utilized for development projects on poverty alleviation once the SAARC Development Fund (SDF) is operationalised. During the 13th SAARC Summit held in Dhaka in November 2005, Prime Minister Dr. Manmohan Singh had also proposed the creation of a South Asian University. This proposal has been welcomed by all the member countries. At an intergovernmental Expert Meeting held in New Delhi recently, it was agreed that the University would be established in India. The text of an Intergovernmental Agreement establishing this University has been finalized and would be considered during the 14th SAARC Summit. The University is envisaged to be an autonomous, non-profit public-private partnership, which will seek support both from each of the national governments and from other sources. It is our earnest hope that it will advance a sense of South Asian community by bringing together future generations of students in the common pursuit of quality education and to prepare them for the challenges of the new millennium.

Ladies and Gentlemen:

India remains fully committed to the SAARC process. We are convinced that on the foundations of their ancient civilizational and commercial inter-linkages, South Asian nations can work together for SAARC to emerge as a major powerhouse of economic creativity and enterprise. We are also conscious that as the largest country in this grouping, India has the largest responsibility. We stand ready to fulfill that responsibility. It will be our effort during our Chairmanship to significantly upgrade regional economic cooperation.

Thank you.



175. Briefing by Official Spokesperson on the Fourteenth SAARC Summit.

New Delhi, March 21, 2007.

Official Spokesperson (Shri Navtej Sarna): Good afternoon everybody. Thank you. I have with me, as you can see, Mrs. Preeti Saran, Joint Secretary (SAARC). We requested her to come in today to do a sort of curtain raiser with us for the SAARC Summit. As we go along and go to the Summit, naturally there will be another briefing just before the Summit in which we will give you a further update. During the Summit we will have briefings naturally. But we thought we would give you sort of broad framework of the Summit so that you can all begin to think about it, hopefully write about it. I will give you a brief introduction and then I will ask Preeti to fill in the details and also explain to you at length some of the major Indian proposals.

As far as the Summit is concerned, as you know this is the 14th SAARC Summit and the third one that India will be hosting. India hosted the 2nd SAARC Summit in Bangalore in 1986 as well as the 8th SAARC Summit in 1995. So, the 14th SAARC Summit will be on 3rd and 4th April and after that India will assume the Chairmanship of SAARC.

The Summit itself will be preceded by several other meetings. You already know that External Affairs Minister Shri Pranab Mukherjee has visited all the SAARC countries personally, handed over letters of invitation to his counterparts as well as to the Heads who are expected to come.

The preparatory meetings will be as follows. On the 2nd of April there will be - I am going backwards- the 28th Council of Ministers. On 31st March and 1st April, is the 33rd Standing Committee meeting which is at the level of Foreign Secretaries, and on the 30th of March is the Programme Committee meeting. This is basically how the meetings are going to be organized.

A couple of important aspects of this Summit are, of course, firstly for the first time there has been expansion in the SAARC membership. As you know, Afghanistan is now a member and Afghanistan will be attending this Conference as the eighth member of SAARC. Now India, of course, welcomed the Islamic Republic of Afghanistan as the new SAARC member. Given its historical ties and cultural ties with South Asia, this development we see as a natural one which also completes the regional identity of

SAARC. Afghanistan has also been invited to attend all the pre-Summit preparatory meetings. In the beginning of the Summit, there will be a joint declaration which will be signed by the President of Afghanistan and the other Heads which will formalize Afghanistan's entry into SAARC.

The second aspect which I thought I will flag is that there will be five observer countries - China, Japan, RoK, the United States of America, and the European Union. So, they will all be attending the Summit. They will be attending the public opening and closing sessions of the Summit, the Council of Ministers and other Ministerial meetings in agreed areas of cooperation. According to the rules of the Conference, the observers who pick their representatives at the Ministerial level can make brief statements at the public opening sessions of the Summit.

Some other events which have been going on essentially, of course, they are important events themselves but the way it is coming together is they are all sort of strengthening the major theme which we hope this Summit will examine at length and promote and that is the theme of connectivity. During the 13th SAARC Summit in Dhaka, the Prime Minister had stated that if you wish the next 20 years in SAARC to be different, then we should take the first decision to reconnect the countries of the subcontinent and then to reconnect the subcontinent to the larger Asian neighbourhood. This connectivity can be conceptualized in three ways - it is political, economic, as well as the connectivity of ideas and people.

The other events, for instance, the SAARC Car Rally which is already under way which manifests in both physical and cultural terms the theme of connectivity that we are talking about, the Car Rally started from Cox's Bazar in Bangladesh on March 15th. It has presently finished Bhutan, it moves on to Nepal and Pakistan and will reach New Delhi on the 2nd of April. A civic reception is expected to be held at India Gate to welcome the Rally as it comes to Delhi. On the 3rd of April, it will be flagged off by all the leaders who will be personally be present there on the South Plaza of Vigyan Bhavan.

There are other cultural events again which are important when we look at the sub-theme of connectivity of ideas and people. There will be a cultural programme on the 2nd of April which will have performances by invited cultural artistes from SAARC countries. That I understand is being held at Siri Fort auditorium. An artistes' camp has already been held in Jaisalmer and the paintings which have been produced in the camp would be viewed by the leaders just before the Prime Minister's banquet on the 3rd of April.

On the sidelines, of course as you are already aware, there is SAFMA Conference taking place. There will be, besides the journalists who are coming to cover the Conference, people who will be coming from the media in which many of you would be involved. We also expect a group of SAARC Editors to come here in advance. This is a group which we are inviting to have a conversation with the External Affairs Minister just before the Summit. That will provide another platform for the major themes of the Conference to be outlined, delineated and promoted as we go along.

I do not want to go on about this. I would request JS (SAARC) to give you some more details on the Indian proposals and any other ideas that she will have.

Joint Secretary (SAARC) (Mrs. Preeti Saran) : Thank you for being here. I think Mr. Sarna has already outlined very broadly what is it that we are looking at in the Summit. So, I will not repeat what he has said except that I will just revisit this idea of connectivity that he spoke about where he said physical connectivity, economic connectivity and connectivity of ideas and people. These are three aspects and we, during our Chairmanship of SAARC, would want to move these three ideas in very concrete terms because in the last Summit, rather in the last two-three summits I think there is growing realization that the time has come to move SAARC from confabulations and declarations into implementation.

Those of you who have observed SAARC more closely would be aware that we have come out with a lot of literature, a lot of meetings, several agreements, conventions but actually we have not really done too well on the side of collaborative concrete projects. To that extent I think there is total unanimity amongst all the SAARC countries that the time has come to move towards implementation. So, when we look at implementation, when we move SAARC into the implementation phase, we would definitely want to implement some concrete infrastructure projects that would be able to help in our trade, transit and communication links. That will be the physical connectivity aspect that we would want to focus on.

In terms of economic connectivity, of course, what we would like to do is to looking at all the soft laws, the physical and non-physical barriers which come in the way of freer movement of goods and freer trade within the region. Inter-regional trade at the moment is not too good. It is just about five per cent compared to NAFTA or EU which is more than 25 per cent, or even ASEAN which is 26 per cent. So, we hope that if we were to address some of the trade facilitation issues such as harmonization of customs

procedures, or look at some of the existing transport arrangements that are there, if we could harmonise some of those procedures to facilitate freer movement of goods through the borders, I think that would definitely contribute to enhancing freer trade in the region.

Connectivity of ideas, of people, minds is a really a freer movement of people, a greater people-to-people contact. SAARC as an entity has largely been focused on the inter-governmental process although a lot in terms of even the SAFMA and several other recognized and apex bodies of SAARC focused on civil society and others interacting, I think is where we wanted to focus so that there is greater connectivity and a freer movement of people, people-to-people contact. Those are three aspects that we would definitely want to play out. Using that I will just come to 3-4 proposals that India had made.

Before that, just to revisit the issue of SAARC Car Rally. Mr. Sarna has already explained to you where all it has gone but just for those of you who are monitoring the Rally and where all it has been, I thought I must let me know that there has been this overwhelming support ever since we first embarked on the Car Rally. When the Prime Minister made the proposal in Dhaka, he said that we should do this to highlight our regional identity and to also symbolize our regional identity and to highlight the need for upgrading our transport infrastructure. That was how it was envisaged. But now, as it is being implemented, it has turned out to be much more than what we had ever imagined.

The motto of the Car Rally is 'connecting people, strengthening ties'. When it was inaugurated in Cox's Bazar, it was reported that there were lines and lines of people who just lined themselves on the roads as the Rally went by, with flowers, bouquets, petals and so on. The kind of profile and the attention that has been given by Bangladesh and Bhutan so far, it was inaugurated by the Chief Advisor himself in Cox's Bazar. Again the Prime Minister of Bhutan inaugurated the civic reception in honour of the Rally in Thimpu. That just goes to show that the amount of potential there is in terms of the amount of goodwill that it has generated, the interest that it has generated in this whole idea of connectivity and also a realization that in the margin of the rally several business events and cultural events have been organized which has again shown to us the potential there is in enhancing our regional tourism, in business opportunities and investments and so on. This is one aspect which closely connected to our theme of connectivity.

Coming back to the concrete proposals at the last Summit, Prime Minister had made some very concrete proposals. I am very happy to inform you that there has once again been an overwhelming support for the proposals made by India. I can quickly run through some of them. One was, of course, the Car Rally. The other was a Disaster Management Centre. At that time it was still fresh after the tsunami and the earthquakes in the region. India's proposal for setting up a SAARC Disaster Management Centre was approved. In fact the Centre has been set up at the National Institute of Disaster Management. We feel that a permanent response mechanism dedicated just to disaster preparedness and risk reduction, etc. would be extremely helpful because disaster has a direct impact on development of developing countries in the region. To that extent, we hope that we can develop this centre as a centre of excellence for this purpose.

Another of several other proposals made by the Prime Minister was a Regional Telemedicine Network Project. Then there is a proposal for a University, and a proposal for setting up of a Regional Food Bank, and lastly setting up a SAARC Museum for Textiles and Handicrafts. I am happy to share with you that again these proposals have been approved. We are working out the modalities of how to implement them. Certainly, there are these texts which are on the table for a Regional Food Bank and even an inter-governmental agreement for setting up of the university which we hope that these preparatory meetings, before the Summit we will be able to finalize. The university will, of course, focus again on a regional centre of higher learning of excellence catering to the youth of the region. As you know, in our own country 50 per cent of our population is really that segment. To enable and develop that human resource that is available to us both in India as well as to the region, I think, will make a major contribution. It will also I think contribute to the sense of a truly South-Asian identity that we all talk about, our civilization identity that we have lived through which in the modern context that we would contribute very concretely to secular democratic values, of developing the youth of today.

The telemedicine network project is again at some stage of discussion where we hope that we would implement it starting with the final project where we connect to hospitals each from all of the SAARC countries to some super-specialty hospitals in India. That will not only be as showcasing as an exemplary project that yes it is possible to do regional collaborative projects within South Asia. But it will also open the door and show the way for doing similar projects in distance learning and several other sectors where ICT is involved.

The SAARC Museum, apart from being merely symbolic that it showcases the richness and the diversity of our crafts, our culture, our handloom traditions and textiles, is not meant just to be a static museum which would just display things. It is really again meant to be a vibrant sector for innovation and training which will again, given our positive interest as well as the excellence we have collectively in the region on the textiles, on the handicrafts side, I think we would be able to showcase that. There is already agreement that this museum will be set up in India. Within this year itself during our Chairmanship we hope that we will start with curating an exhibition to begin with from the temporary premises located at Crafts Museum in Pragati Maidan and thereafter move towards a permanent location.

The Food Bank is again yet another area where we are looking at times of calamities, times of shortages when we can cooperate together and supplement national efforts. So, this Regional Food Bank hopefully should be able to cater to that need in a spirit of regional cooperation. Some of these proposals are what we hope will actually move SAARC towards implementation and actually upgrade the levels of our regional cooperation.

I will stop here at this point. If there are questions, may be we can answer those.

Question: I would like to seek a clarification on the Observer countries. Since this is the first time they will be there, what exactly will they be doing? Secondly, in 2004 at the Islamabad Summit, India proposed a SAARC Poverty Alleviation Fund. What is the progress on that? Has it been set up?

Joint Secretary (SAARC): On the Observers, yes this is the first time that observers have been invited to attend the Summit. You would recall that at the 13th Summit in Dhaka, a decision was already taken to accept China and Japan to be associated as observers. Subsequently, the Republic of Korea, the United States and the European Union also expressed a similar interest and their proposals were considered at the 27th Council of Ministers meeting which was held in Dhaka in August. During that meeting member-countries sat down to even discuss the guidelines. As explained by Mr. Sarna, the guidelines have clearly brought out the fact that we welcome observers to be associated with SAARC. It just shows the interest they have in our region and also the fact that SAARC should benefit from these external linkages as part of both India's desire to have this web of linkages be connected to itself and then to be connected to the outer world. The

observers have already been invited. But the guidelines stipulate that if they have represented at a Ministerial level, they could make brief statements with the prior approval of the Chair which is what would be the guidelines followed. They would be invited to open plenary and closing meetings. As you know, all SAARC meetings are closed meetings. To that extent, that is the role that observers play.

As regard your other question about the SAARC Development Fund, yes the proposal made by India at the Islamabad Summit in 2004 for a \$100 million (fund) for projects on poverty alleviation in other SAARC countries still remain on the table. Our proposal was reiterated at the 13th Summit in Dhaka at which point and thereafter a decision was taken that there was an entity called a South Asia Development Fund which also had some money in its account. It was decided that all of that will get wrapped up under this SAARC Development Fund with three windows - a social window, an economic window and an infrastructure window. So, those modalities are now being worked out. These are issues that should be in fact discussed in the preparatory meetings to the Summit as to how to operationalise that fund. So, that is where the current status of the fund is.

Question: Can you give us an idea of what is the kind of level of representation you might have from some of these observer countries?

Joint Secretary (SAARC): At the moment we do not have full, final confirmation.

Official Spokesperson: We will tell you next week.

Question: Given the political unrest in Pakistan, is there any concern about the Summit being deferred?

Official Spokesperson: I have just announced the dates of the Summit.

QUESTION: What is the status of SAFTA?

Joint Secretary (SAARC): SAFTA has been operationalised and SAFTA works on the basis of sensitive lists. It has a phased tariff liberalization programme. All of us issued our notifications on the 1st of July, 2006. Subsequently there was another notification issued on the 31st of December. India certainly is fully compliant with its SAFTA obligations. But as you are aware, Pakistan has singled India out of that. We have raised this matter in the SAARC meetings. We hope that Pakistan will be persuaded to adhere to its international commitments.

Question: Is SAARC thinking of having more Observers on board? Have you got proposals from other countries that would like to come in as observers? Secondly, you are talking about connectivity and upgradation of transport infrastructure in the region. Are we thinking of some pan-South Asia rail network? What are the concrete projects?

Joint Secretary (SAARC) : With regard to your question on additional observers, as yet I am not aware and so I suppose collectively the SAARC member countries will take a view should that arise. Regarding concrete projects, at the moment there is nothing concrete in terms of an identified project. But what is available to all the SAARC member countries is a very interesting study called the SAARC Regional Multi Modal Transport Study which has in fact identified special corridors - road, rail, air links - to the region. Those corridors are what I think we would be discussing if we can prioritise some of them. I think those would good guidelines for the SAARC member countries to follow. At one of the recent Ministerial meetings held in Kathmandu on SAFTA a recommendation was made, it will be considered again, that the scope of the study should be extended to Afghanistan. With Afghanistan joining the SAARC family, I think it is important to complete that study to include Afghanistan in that.

Question: Is the SAARC Development Fund the same as Poverty Alleviation Fund?

Joint Secretary (SAARC) : As I said, there were several funds like the offer of Poverty Alleviation Fund from our side. That was what was called the South Asia Development Fund (SADF). There were several other kinds of funds which have been there in smaller numbers. The decision was to put them all together in what will now become a new entity called the SAARC Development Fund with three windows. The poverty alleviation elements will actually come under the social window.

Question: What will be India's contribution to this fund?

Joint Secretary (SAARC) : The whole idea of contributions is still under discussion. But our commitment for \$ 100 million for poverty alleviation remains.

Question: What about other countries like Pakistan and Sri Lanka? Are they also contributing?

Joint Secretary (SAARC) : There is a broad discussion on the social window that other member countries would also contribute so that there is,

at least under the social window, a broad kitty available to initiate the fund. In any case our commitment of \$ 100 million remains.

Question: Will Iran's application for observer status be considered?

Official Spokesperson: Let the Summit start. If the proposal comes up, I suppose they will consider it. Is there any proposal (to Joint Secretary)?

Joint Secretary (SAARC) : I am not aware of it.

Question: Could you spell out some of the infrastructure projects that the study has recommended?

Official Spokesperson: I think what we will do is, before the Summit we will try and get you a copy of the Study.

Question: SAARC Development Fund has been there for some time. What is holding it back? Do some countries have problems with this? Why exactly it has not taken off?

Official Spokesperson: Our commitment is already pointed out. May be this is a question that you should address to other countries.



176. Media Briefing by Foreign Secretary Shivshankar Menon on the Fourteenth SAARC Summit.

New Delhi, March 28, 2007.

Official Spokesperson (Shri Navtej Sarna) : Good afternoon, everybody. I welcome you to this briefing by the Foreign Secretary on the forthcoming Fourteenth SAARC Summit. As is customary, we would request the Foreign Secretary to say a few words and then your questions.

Foreign Secretary (Shri Shivshankar Menon) : Thank you, ladies and gentlemen, for coming here in such large numbers. It is good to see such interest in the SAARC.

As you know, we will be hosting the Fourteenth Summit of SAARC in New Delhi on the 3rd and 4th of April. The Summit itself will be preceded by a meeting of the Council of Ministers on the 2nd, by the Standing Committee formed by the Foreign Secretaries of SAARC on the 31st (March) and 1st.

Before that there will be the Programming Committee on the 30th on Friday. You would notice we have compressed the schedule a bit from previous Summits as part of our attempt, I think, to be more efficient and to produce more. The last time we held a SAARC Summit in India was in 1995 in Delhi. Before that, we had held the 1986 Summit in Bangalore, you would remember. So, this is the third time that we are hosting a SAARC Summit as SAARC enters its third decade.

It is a landmark Summit in several ways. We see this as a Summit which enables the subcontinent to reconnect to itself and to the rest of the world. I think the most evident symbol of this is that Afghanistan will be joining SAARC formally as a member at the Fourteenth Summit, which is a cause of some happiness for us. Equally, it will be the first Summit when there will be Observers present at the Summit. So, when I say connecting the subcontinent to the world, the EU, China, Republic of Korea, Japan and the US will be present at the Summit. It is our expectation that all the member-states of SAARC will be represented at either Head of State or Head of Government level. The Observers - the three of them, Japan, China and Republic of Korea - I believe, will be represented at the Foreign Ministerial level. So, it gives us an opportunity actually at a very high level to look at issues which interest our region and to look at our common development, our social and economic transformation as the Charter of SAARC says.

During the Thirteenth Summit in Dhaka in November 2005, you would remember that Prime Minister Manmohan Singh had made several suggestions. He had also pointed out that if we wanted the next 20 years in SAARC to be different from the 20 years before, it was necessary for the subcontinent to reconnect itself and also to work with the larger Asian neighbourhood. We had offered, on a reciprocal basis, air connectivity and transit facilities to all of the countries in the region and had made certain suggestions. Many of these are now in the process of being worked through. We will use the next Summit to try and improve our own connectivity within the region. When I say connectivity, I mean connectivity in various ways. In physical connectivity, there has been a multimodal transport study for the subcontinent which, it is now agreed, will be extended to include Afghanistan. The results of that study are now available to the leaders. So, it will be considered at this Summit. We hope that it will be possible, through the series of meetings over the next week, to start taking decisions about transport connectivity throughout the subcontinent. Telecommunications and energy are other areas of physical connectivity that we would like the

Summit to look at because we think this has immediate, direct benefits in terms of trade, in terms of travel, in terms of connections between people throughout the subcontinent.

Equally, economic connectivity I think for us is very important. SAARC has achieved a considerable amount because it has devoted a great deal of attention to economic connectivity in the past. South Asian Free Trade Area (SAFTA) is really the result of that. There are problems in parts of its implementation. But, for most of the subcontinent we now have a free trade area that actually covers most of what we trade with each other and actually has led to a great increase in trade. It is an interesting phenomenon that if you look around the subcontinent, all our economies are actually doing quite well, are growing at well over five per cent. It is, I think, not a very well recognized fact that this is true not just of the Indian economy, which has very high averages, but it is also true of our neighbours. To a very great extent this reflects the fact that we have a shared destiny here, a shared economic destiny, and there is no question that the more we can open up the linkages between our economies the more we can use our complementarities and synergies, and the fact that our economies have developed in different directions and, therefore, can now complement each other.

Apart from physical and economic connectivity, we will also look at connectivity of the mind. One of the ideas that Prime Minister Manmohan Singh had mentioned in Dhaka, you would remember, was the South Asia University. It has been worked on through the development of concept papers and Expert Group meetings which were attended by Vice-Chancellors from universities throughout the region. We do think we have now something which is ripe for a decision by the Summit and we hope to take it to the Summit. We think we know the way forward to realizing the idea of a South Asia University. We will, therefore, try and discuss this idea too. There are other ideas too about free movement of media persons and products, which I think previous Summits have looked at. We as India would be very keen to see that made as easy as possible. It is something we will certainly work on. We have, in fact even today, the SAARC Car Rally which is going through the subcontinent. Today I believe it was flagged off in Chandigarh in the morning and it has reached Wagah, it is probably crossing right now into Pakistan, going to each of the SAARC countries as a physical symbol. I must confess personally, I was very impressed by the kind of popular response that it seems to have evoked - which to my mind shows the depth of sentiment that there is behind the idea of a

connected subcontinent a popular sentiment and the support that exists today in the popular mind. It is quite a Rally, if you think of it. It covers over 8,000 kilometers in something like 31 days with over a hundred participants in it. The Rally, by the way, will be formally flagged off by the leaders in New Delhi on the 3rd (April) morning, just before the inauguration of the Summit itself.

The other proposals which the Summit and the other meetings will be looking at are the SAARC Development Fund, which you remember, in the Islamabad Summit, two summits ago, India had committed a hundred million dollars to poverty eradication projects in other countries, none of it to be spent in India but to be spent in the other SAARC countries. Thereafter, I think there was the broader idea of a SAARC Development Fund, to which the other members would contribute. That has been now worked and we are now trying to see whether it will be ripe for a discussion at the Summit. We will see once we go through the various meetings. In the last year, some of the other ideas that we had expressed, that Prime Minister had proposed in Dhaka have actually become reality. One is the establishment of SAARC Disaster Management Centre which has been established in New Delhi in October, 2006. I mentioned the work that has been done on the South Asian University. The Regional Telemedicine Network as well is likely to begin soon. As I said, the Regional Food Bank, which would have food available for emergency supplies so that one does not have to start from zero should, God forbid, there be a disaster.

For the last year or so, we have, in preparation for our Chairmanship, also been trying to organize a series of cultural events. We have had artists from all the SAARC countries in India visit India. An exhibition of their paintings will be shown to the leaders during the Summit. We are also holding a SAARC Cultural Festival of Performing Arts at Siri Fort. I think the public performance is on the 2nd of April. A sort of abridged version of their performance will also be seen by the leaders on the 3rd evening. One of the other proposals for the next year is that we might host a Fusion Music Festival. I believe that is popular throughout the subcontinent, but we will see.

There are other issues which will also come up. One is terrorism because it is something that has affected us and it has affected other members. Sri Lanka has told us very strongly that they intend to raise this. It is something that I think the leaders will have to see how we can carry our cooperation against terrorism forward. There is an existing SAARC Convention on the Suppression of Terrorism. There was an additional protocol done in 2004

about the financing of terrorism, about action against financing of terrorism. We will have to see whether what we have done is sufficient and whether we can do more together to try and fight terrorism because this is an issue that concerns all of us.

We would also like to use this Summit to essentially make SAARC a more efficient organization. It is our view that the time has come for SAARC to move now to a stage of implementation rather than just studying the issues, seeing what is possible. I think we have run through that phase and we think it is time now to start actually implementing many of the ideas that we have had. I think we have all realized now in South Asia that not only are our economies linked but, as Prime Minister says, we have shared destinies, and that this is something that we need to work on together that our prosperity is in a sense common prosperity and cannot be divided. So, we hope to use this Summit to try and work on that theme and to get concrete practical steps which help us forward.

We will also, of course, use the opportunity of the presence of so many Heads of State and Government to do bilateral meetings where we will discuss our bilateral relationships with these countries. Both External Affairs Minister Pranab Mukherjee and Prime Minister Manmohan Singh will be meeting their counterparts separately on the sidelines of the meeting itself.

I will be happy to answer any questions which you might have.

Question: You have just talked about connectivity being the theme of this Summit. Since Afghanistan is also going to be here and we have been pursuing the transit route through Pakistan to Afghanistan, will this issue be discussed whether in the bilateral or in the main Summit?

Foreign Secretary: I think it is an issue that will be raised in various conversations, both bilaterally in the conversations and certainly we will also raise it in the Summit and we will see what action we can take together. SAARC works on the basis of unanimity. Article 10 of the Charter is quite clear. We will have to see what is possible. But certainly it is an issue that we intend to raise.

Question: There has been resistance from Pakistan for so many years....

Foreign Secretary: I think you have to ask other people.

Question: You talked about terrorism being one of the agenda items in the SAARC Summit. In the light of recent developments in Sri Lanka this week,

how have we reacted to the development of air power by LTTE¹? What does it mean for other terrorist groups in the subcontinent?

Foreign Secretary: I think we are very concerned at the escalation of violence in Sri Lanka in the last few weeks. The incident you mentioned is one of a part of a pattern of escalating violence we have seen. The humanitarian consequences of that really worry us, when we see internally displaced people, over 100,000 of them. We would join our voice with that of all those in Sri Lanka and abroad. We would hope that the violence will come to an end soon and that they can find a solution to this conflict which enables all the communities of Sri Lanka to live together in peace. I think that is really the main thing, to get a solution to the conflict. To pick on individual incidents of violence, I do not think helps to solve the root cause of the problem. The cause of the problem is the conflict which has escalated terribly in the last few weeks and that does cause us great concern.

Question: On the issue of Iran and SAARC, what is the status? Have they asked for Observer status or membership? What all is going to be played out in the Summit? What is India's position on either Observer status or membership for Iran in SAARC? Their Foreign Minister has earlier spoken on the issue of ...

Foreign Secretary: Iran has applied for Observer status in SAARC formally. I think their application has been circulated to all the member states. Naturally, this will be considered because it is something that everybody will have to agree on. We will consider it in this series of meetings, probably first at the Council of Ministers this time and then at the Summit itself if the Council of Ministers approves of it. So far we have not taken a public position because we are going to be in the Chair to conduct this discussion. So, we do not want to take a position and then we have to as Chair be neutral. But, as India we like the idea actually of more involvement in SAARC by our friend.

Question: What kind of intra-regional mechanism are you looking at to combat terrorism of the kind which you see off and on here?

Foreign Secretary: I think what SAARC has been looking at so far is legal

1. The reference was to the first ever use of aerial bombing operation by the LTTE on March 26 in which it targeted the main military base of the Sri Lankan Air Force on the outskirts of Colombo killing three air force personnel and injuring 16 others. The LTTE aircraft was able to sneak all the way from the jungles of Wani in the North right into the middle of airport and return without being challenged. The aircraft would have flown at least 600 km to and from the base and would have been in the air for nearly two hours.

instruments which enable us to work together. That was what the Convention on Suppression of Terrorism was about. That was what the Additional Protocol for fighting the funding of terrorism, for cutting off funding (was about). We have also looked at some other legal instruments - legal assistance, mutual legal assistance and so on. At one stage it had also been proposed that we might look at extradition arrangements within SAARC. But these are discussions that have not yet resulted in unanimity or in an agreement. Those will go on. We will also I think use the occasion, because this is also a political conversation. So, this is an occasion where I think we will look for ideas. I think different States will come with their own ideas of what might be done and we will see what is feasible. But my point is, at this stage, before the meeting has even happened and people have spoken, all I can say is that we know that this will be one of the issues and it is a big issue.

Question: *According to the news emanating from Sri Lanka the radar provided by India to Sri Lanka recently failed to perform.¹ Are the Government of India aware of this? What is GOI reaction to such news?*

Foreign Secretary: *As far as we are concerned there is no question of its failing.*

Question: Another terrorism question. After the LTTE air strikes, have you spoken to Sri Lanka? Have you expressed concern and assured any kind of help? Also with Bangladesh, India has concerns vis-à-vis terrorism and insurgent camps in Bangladesh? Has Bangladesh said anything to us ever since this new caretaker government has taken over looking at our concerns on terrorism?

Foreign Secretary: With Sri Lanka, as I said, we have made it clear to everyone concerned. As I just said to the earlier question, we are very concerned at the escalation of violence. The air strike is one example of that escalation of violence in the Sri Lankan conflict. Certainly, we will remain engaged with everyone, Sri Lankan government and everyone, to see what we can do not just to ameliorate the conditions that have been created by this and the humanitarian effects of this escalation of violence, but also to

2. The reference was to Colombo media reports quoting official sources to suggest that the radar provided by India failed to perform at the crucial moment and hence the success of the LTTE. The reports suggested that though Colombo was keen on a Chinese radar and was reportedly negotiating one with Beijing, India insisted on providing one in preference to the Chinese.

see what we can do to help towards a solution of this issue, to encourage the Sri Lankans themselves to find a solution to this issue.

On Bangladesh, this is an ongoing conversation. We will have an opportunity in our bilateral discussions this time to discuss the entire range of our relationship with Bangladesh. Obviously, this is one of the issues which is very important. There are other issues also which we look forward to discussing with the government in Bangladesh.

Question: Do you have any details on the South Asian University and the Fusion Music Festival

Foreign Secretary: What the Working Group has recommended on the South Asia University is that the Member-States might sign an inter-governmental agreement establishing the university and set up an inter-governmental steering committee to do the detailing of the concept which they have approved. The concept they have described was sort of a university. They would like a university which is among the best in the world, which attracts best students and the best faculty - best students from the South Asia and the best faculty from wherever. What they would like is for this inter-governmental agreement to set up an inter-governmental committee, steering committee, which would then do the detailing like the board, how it will be run, and so on, and establish an autonomous institution like this which could run. So, there is still a lot of work to be done in actually bringing about a university on the ground. But I think what we would hope is if this report is endorsed by the Summit, then there would be a decision in principle by our leaders on the shape and establishment of a South Asia University.

Question: Do you expect the seat would be in Delhi?

Foreign Secretary: Frankly, that is something they have to decide. I think what the Expert Group has suggested is to start with a few faculties in India somewhere. But we keep open the possibility of Centres of Excellence of other faculties throughout South Asia which could be linked.

Question: What will be the bilateral agenda for the meeting between the Prime Ministers of India and Pakistan?

Foreign Secretary: The India-Pakistan relationship.

Question: Will the Joint Anti-Terror Mechanism be discussed?

Foreign Secretary: We will discuss the entire relationship including that. That is one of the mechanisms. We will discuss that as well.

Question: Pakistan has been raising the basic issue of definition of terrorism. Do all the SAARC members agree on this issue?

Foreign Secretary: The Convention makes it clear, from our point of view, what terrorism is. I think quite frankly, when you see terrorism you know it. I do not think we need to get into a semantic discussion of what terrorism is or is not. I think most people, most reasonable people, when they see terrorism they know what it is. I think more important is that we do something about it. That is the important thing about terrorism that we must stop terrorism and we need to do it together.

Question: Do you think the time has come for India to play a more direct role in Sri Lanka's negotiations?

Foreign Secretary: I think we hope to use our conversations over the next week or so, as I said earlier, to encourage the Sri Lankans themselves to find solutions to this tragic conflict.

Question: You mentioned India's concern over terrorism. How do you see the situation now in Kashmir? What is your understanding of the situation at the Line of Control? Has cross-border terrorism dropped? Have we seen a decline in infiltration in the last couple of months?

Foreign Secretary: On the situation in Kashmir, I never comment on India's internal affairs. But on the situation across the Line of Control, infiltration goes up and down depending on the season, depending on various other factors. Cross-border terrorism has continued, sometimes less sometimes more. But over a longer period, if you measure in years rather than days, it is continuing.

Question: Have India and Bangladesh agreed to create ...(inaudible).... are some talks are going on in that direction? Whether something is to be finalized in this bilateral meeting?

Foreign Secretary: We are still discussing it. There is a forum to make these decisions, which is not really the summit-level meetings, which we hope to convene very soon. But as an issue, we are still discussing it with Bangladesh.

(Text in italics is translated from Hindi)



177. Conversation of External Affairs Minister Pranab Mukherjee with Editors from SAARC Countries.

New Delhi, March 29, 2007.

It is a pleasure for me to have the opportunity of this interaction with you just on the eve of the Fourteenth SAARC Summit. All of you are in the field for quite some time. If I say something about the tremendous influence which the media persons have in creating public opinion on any issue, it will be like carrying coal to Newcastle. Therefore, I am not venturing that. What I want to have through this interaction is to convey the message of the SAARC fraternity, goodwill and the need for strengthening SAARC. You are fully aware of the fact that other regional blocs, especially the European Union, apart from its economic and commercial activities, the tremendous influence it is exerting over the international scenario as a bloc, as an entity, is just remarkable. Cutting across the centuries old disputes, war, fights, struggles, differences just within six decades post-Second World War, it merged as the European Union. It is a landmark not only in the history of Europe but the whole world. I am not going into the historical perspective. I am just emphasizing the emergence of the bloc and how different countries as an entity can play a crucial role in the international arena. Keeping that in view, we the SAARC member countries belonging to same cultural milieu, having the same perceptions perhaps through our interaction and closer cooperation, we can do much more than what we are doing currently. When SAARC began its journey from there, we have covered a long way, but we are yet to cover many more miles and it would be our effort in the current Summit to focus on the issue of our closeness, coming together, connectivity and the need to work in close cooperation. I do feel that if our friends from media can convey that type of message, it would be a very positive contribution from your side. With these words, I welcome you once again. Of course, we will have more opportunities of interaction during the course of the Summit. Thank you very much.

Question (Mr. Mehabul Alam, *Independent*, Bangladesh): Sir, we talk of connectivity all the time, how will we achieve it?

External Affairs Minister: First of all, we have to recognize the need for it and I am now satisfied that all member countries recognize the need for building up connectivity. Connectivity does not merely include physical connectivity by road links or by rail links or by waterways or by air links but also connectivity by expanding knowledge, trade, experiences and sharing

perceptions. Therefore, our efforts would be to identify the projects through which we will be able to implement these ideas. The ultimate objective should be to have a free flow of not only persons, trade, goods and services but also of ideas so that we can benefit from each others' experiences.

Question (Mr Bandula Jayasekara, *Daily News*, Sri Lanka): Sir, we have a lot of ceremonial talks in the SAARC, but in terms of implementation nothing much happens? Is it due to lack of political commitment?

External Affairs Minister: I don't say it is due to lack of political commitment but we could not or rather we have not been able to pursue certain issues that we have decided to do. Therefore, emphasis should be on implementation. However good decisions you may take, if it is not properly implemented in time, it loses focus. Keeping that in mind, we will try to see that the decisions we take shall be implemented in letter and spirit and within a specific timeframe.

Question (Mr Ejaz Haider, *Friday Times*, Pakistan): Sir, even if you try and keep bilateral issues away from the SAARC forum, it keeps on impinging and keeps nibbling on the edges of SAARC. When you say that decisions are made but not implemented because there are so many examples that once the issue moves away from the SAARC forum, there is a bilateral equation which comes in the way and there is a certain degree of cussedness shown by the states bilaterally which is one thing that casts its shadow on the SAARC? How do you suggest that shadow can be removed?

External Affairs Minister: If the bilateral issues shadow the collective decisions taken during the SAARC in proper perspective, then we have to improve the bilateral relations also. Though SAARC charter does not permit to bring any bilateral and contentious issue but I do agree that sometimes the bilateral relations overshadow the collective decisions we take in this forum. But if you have noticed, in the recent years strenuous efforts are made by all SAARC countries to improve the bilateral relationship so it is having some impact. It is not to the extent to make it an ideal situation but things are improving in a major way.

Question (Mr Ejaz Haider, *Friday Times*, Pakistan): You are saying that it is the bilateral equation that is impacting the multilateral relation rather than the other way around?

External Affairs Minister: No, it's not that. If somebody's presumption is that bilateral relations are shadowing the multilateral relationship within

the SAARC framework, in that context, my response is that we should improve the bilateral relation itself so that it does not effect the decision taken collectively. Secondly, we should also have to keep in mind that when we are taking the decision collectively at the multilateral fora, we are obliged to implement it in letter and spirit. Therefore one is not dependent on the other. Both seem to take place simultaneously.

Question (Mr Ibrahim Khaleel, Maldives Television): What are the main obstacles that SAARC faces today?

External Affairs Minister: When we started SAARC, it was in a different economic scenario. Essentially, it is for economic cooperation. In the nineties, most of the SAARC countries adopted economic liberalization process. As a consequence to that, what we have noticed is that despite difficulties, the SAARC countries have maintained a steady, sustained, substantial GDP growth over a reasonably long period and it is emerging as one of the fastest growing region in respect of individual member countries and collectively together. Therefore, this is the time to harness it to the fullest extent so that we can have more benefits. For instance, though our international trade in terms of volume and value is increasing, the SAARC inter-regional trade is not expanding very fast. Therefore, these are the areas that we have to take focused action so that we can improve.

Question (Mr Narayan Wagle, *Kantipur Daily*, Nepal): What difference can the observers make to this Conference according to you?

External Affairs Minister: This is the first time we are having observers and one full member. Afghanistan is the full member, eighth member of the SAARC family and three other observers from the region of Asia which is high growth area. China, Japan and Korea - all three countries are having very high growth. Other two of course are European Union and the United States. From the connectivity point of view, if you just categorize in the map, through Afghanistan, SAARC countries can have a link to Central Asia. Through already existing relations and linkages through India and through Bangladesh, (SAARC countries can have a link) with Myanmar, which is the part of the ASEAN. So we are having physical contact on the one hand with one powerful bloc, ASEAN, and we are also having access to Central Asia and to West Asia. But apart from that physical contact, culturally, we do feel that Afghanistan is a part of the subcontinent. So its membership as the eighth member of SAARC is justified. In addition to that, a stable, prosperous and developed Afghanistan is important for the stability and peace of the region as a whole. With closer interaction with the three countries, powerful

economies of Asia, we also have the European Union and the USA having economic and commercial relations with all the SAARC countries. Therefore these are the ideas which we are having and when the decision was taken by the SAARC leaders in the last summit, it was very wise.

Question (Mr Rinzig Wangchuk, Kuensel, Bhutan): India is a major global player, how will it help SAARC move forward ?

External Affairs Minister: India will play its own role as a large country within the SAARC family and that in our different actions, different programmes we will do it. What we do believe, and we have articulated in earlier occasions also, that it is not necessary that we should emphasize on reciprocity. Many of the decisions which we can afford, we can have it unilaterally. And surely, we would like to play that role in the coming years to ensure that SAARC becomes a prosperous bloc as such .

Question (Ms Farida Nekzad, Pajwhok Afghan News Agency, Afghanistan): Do you think by this Summit, when Afghanistan has become the eighth member of SAARC, the transit problem will be solved....(inaudible)... ?

External Affairs Minister: Of course, currently we are having limited access. The current arrangement with Afghanistan is that we are having transit through sea port via Pakistan, through Karachi. Now if we have the transit through road also, then through Afghanistan we can have straight linkage to Central Asia. Therefore, the connectivity would be much more expanded and these are the opportunities which will be open to us, and it is for us to decide whether we take this opportunity or advantage or not.

Question (Mr Bandula Jayasekara, Daily News, Sri Lanka): SAARC countries have signed many Conventions on formation of Anti Terror Mechanism, but nothing is happening. There is no practical movement?

External Affairs Minister: Many of the decisions that we have taken which are yet to be implemented, they should be fully implemented. Decision taking is not adequate unless you implement it in letter and spirit.

Question (Mr Bandula Jayasekara, Daily News, Sri Lanka): What Sri Lanka has faced last week, don't you think it is vital and important to take steps soon?

External Affairs Minister: These problems are not merely related to this region. Today, of course, you are talking of terrorism because you are the

victims of terrorism for quite some time and in my own Parliament, in response to a question I replied that we have lost more number of civilian people (to terrorism) compared to what we have lost in the declared wars after independence. Therefore, we are fully aware of this problem. After 9/11 it has spread all over the world and today in the post cold war era, terrorism is the biggest menace to world peace and tranquility. It is not only a threat to the SAARC but the entire international community and the entire international community has to assert and fight this menace which is the biggest threat to peace and tranquility of the world.

Question (Mr Ibrahim Khaleel, Maldives): Do you think the benefits of SAARC can be shared equally?

External Affairs Minister: Not in volumes, but the benefits of policies, cooperation can be extended to you and it will depend on the absorption capacity of the country concerned, to what extent they are willing to absorb. What is the requirement? What is required for me, for instance, to ensure food security? The quantum of India's food requirement cannot be matched with the food requirement of Maldives. It depends on its own requirement, on its own absorption capacity. Just giving you an instance, it is one of the objectives of SAARC to have food security for the entire region. That's why the food bank, concept of food bank was there and perhaps with the approval of the SAARC Council of Minister we are going to have it. Every country big or small has equal right, equal voice as per the international practice. Therefore, every decision in SAARC is taken by the consensus, not by majority or minority. So here, every country enjoys absolutely equal footing, equal status.

Question (Mr Ejaz Haider, *Friday Times*, Pakistan): My understanding is that Pakistan is not willing to give overland transit facility to India. Is there any advancement on that?

External Affairs Minister: Let us discuss, let us find out if there is any difficulty and let us remove. After all, we have to proceed on the basis of discussions and planning. There is no other way. However strenuous it may be, we shall have to pursue that path.

Question (Mr Narayan Wagle, *Kantipur Daily*, Nepal): Is India interested in helping countries in the neighborhood?

External Affairs Minister: We have to live with our neighbors. You cannot change your neighbors, perhaps you can change your friends or make or

unmake your friends, but you cannot change your neighbors. Therefore it is desirable that we must have a peaceful and stable neighborhood. If there would be no peace and stability in the neighborhood, all of us, and India is the country which is having borders with almost all the SAARC countries. Therefore we would like to have peaceful, stable neighbors and in our own way, without interfering, try and have peace and stability in the region.

Question (Mr Bandula Jayasekara, *Daily News, Sri Lanka*): What is your expectation from the 14th SAARC Summit?

External Affairs Minister: I am a born optimist and from my own experiences I can share with you, I chaired the SAARC council of Ministers in 1995 being a Foreign Minister and what I find that when I take stock of the situation, the development of 11 years, from 1995 till today, I find reasons to be optimistic .

Question (Ms Farida Nekzad, *Pajwhok Afghan News Agency, Afghanistan*): Will there be further extension of SAARC? Will China join the grouping?

External Affairs Minister: China is an observer, as I mentioned China, Japan and South Korea are observers apart from the European Union, but membership of Afghanistan was considered directly because of the geographical proximity and continuity and also because of cultural and civilizational links with large number of SAARC countries. So far as development is concerned, I do feel that Afghanistan is beneficiary partner country and it will be our efforts to see that every country takes benefit and advantage from our joint efforts.

Question (Mr Narayan Wagle, *Kantipur Daily, Nepal*): How do you visualize the SAARC process in the next decade?

External Affairs Minister: This is the right moment when we can have a quantum jump in the development in our progress. Because as I mentioned earlier, over a reasonably long period which you can describe as sustainable development in terms of the GDP of all the SAARC countries, we are all having the benefit of cooperation I can just give you one example, between India and Bhutan, we are having power projects, hydel power projects in Bhutan, and we are meeting our energy requirements and Bhutan is also having the benefit for its overall development because of the massive investment. It is just one example, examples can be multiplied. Similarly, the free trade agreement between Sri Lanka and India is also beneficial for

both these countries, we will have these arrangements and why I am talking about this decade is important because if becomes really the century of Asia we are an important component of that Asian economy and it is fastest growing economy. Over the years it has sustained its economic development. We have all the abilities, market, talent, natural resources and we can develop it in its proper form and use it. I am quite confident that SAARC has a very bright prospect and with this note perhaps we can end.

Thank you very much.



178. Media Briefing by Official Spokesperson on the meeting of the SAARC Programming Committee.

New Delhi, March 30, 2007.

Official Spokesperson (Shri Navtej Sarna): I am sorry I delayed coming here but I was trying to actually get you something concrete to see if the Programming Committee would finish its work and then we could discuss, but I think the work is still carrying on. But I will give you a sense of what has happened so far, although, since the report is not finalized, it is a kind of work in progress update I am giving you.

The 29th Session of the Programming Committee began this morning. All the Member States are participating in the Programming Committee. The delegation from Afghanistan is attending as a special invitee. The proceedings were begun by the Leader of the Delegation of Bangladesh, the Chairman till now. He is Mr. Masud Bin Momen, Director-General SAARC (Ministry of Foreign Affairs, Bangladesh). He was in his capacity as the current Chairperson of the Programming Committee. After all the procedure of adopting the agenda, etc., they elected the new Chairperson who, in accordance with the SAARC practice will be the Joint Secretary dealing with SAARC in the Ministry of External Affairs of India, Mrs. Preeti Saran. She has been elected as the Chairperson of the 29th Session and she has been conducting the proceedings of the meeting in that capacity.

In terms of the work of the Programming Committee, in accordance with its functioning mandate it has essentially been reviewing the progress of various bodies - working groups of the SAARC process - and is preparing a report which they will now put up for the consideration of the Standing Committee which begins tomorrow morning.

Some of the things which they have covered include consideration of various reports, for instance, report of the Second Meeting of the Working Group on Biotechnology, report of the Third Meeting of the Working Group on Energy, reports of various governing boards of SAARC Regional Centres which include the SAARC Human Resource Development Centre in Islamabad, the SAARC Documentation Centre in Delhi, the SAARC Tuberculosis and HIV AIDS Centre in Kathmandu, and SAARC Information Centre, Kathmandu. They also considered the report of the Expert Group meeting on the establishment of SAARC Forestry Centre as well as SAARC Coordination Centre for Disease Surveillance. They considered the report of - the other issue which you have been hearing a fair amount of - the meeting of the Expert Group of SAARC Telemedicine Project.

As you know, we have just some background here. Every member country has the idea of proposing two hospitals which will be connected with super specialty hospitals in India with tele-links, and India will provide the infrastructure and the equipment. The project naturally envisages connectivity through satellite so that the entire regional network is covered. This was considered and various delegations gave the names of those hospitals. Those who have not given are in the process of giving.

They also considered the report of the Expert Group which has been set up to finalise the modalities for establishing the SAARC Museum of Textiles and Handicrafts. From its temporary venue at the Crafts Museum, Pragati Maidan, New Delhi, this museum will begin its activities with an exhibition-cum-sale of handicrafts from SAARC countries in November, 2007. Further meetings probably will be needed to work out the details of the permanent premises of the museum. They also considered the report of the Expert Group meeting to finalise the modalities for establishing the South Asian University. India's proposal for setting up such a university, as you would recall goes back to Prime Minister's statement at the 13th SAARC Summit in Dhaka, was warmly appreciated by the Programming Committee. Of course, I think you already have a lot of details about this concept. But, if somebody needs reiteration, I can say this is going to be envisaged as a center for higher education and human resource development and as a center of excellence for higher learning in all the aspects. The modalities, which will form part of an inter-governmental agreement, are what would be under discussion even as we speak.

They also discussed issues relating to the upgradation of the infrastructure of the SAARC Secretariat. The Programming Committee, I understand,

was appreciative of India's proposal to extend assistance of 25 million Indian Rupees for the purpose of renovation and upgradation of existing conference facilities in Kathmandu in SAARC Secretariat.

They, obviously are also now discussing the calendar of activities which then they will propose to the Standing Committee and so on. So, it is a fairly wide-ranging meeting which is actually preparing the groundwork for the meetings that are going to follow in the next four days. This is I think the sense, more or less, of what has been going on through the day. As I said, the work is still going on. So, we do not know when they will finish but they should finish it today.

Question: Apart from Iran, are there any other applications for Observer status?

Official Spokesperson: Actually, that was not an issue which is discussed in the Programming Committee. I do not have any information on that. That is an issue which will probably come up in the Standing Committee.

Question: Can we have any statistics on the trade front that would reflect on such cooperation in regional trade?

Official Spokesperson: I think a very detailed briefing was given on this issue. I do not think you were there. So, I would advise you to just check out the (MEA) website. A very detailed briefing was given by the Foreign Secretary particularly focusing on the economic things and what we are looking forward to including the SAFTA issues. As you know, the intra-regional trade within SAARC countries forms, I think, only three or four per cent of their total trade. There is tremendous potential for increasing this. That is why one of the aspects of the main theme of connectivity that we hope this Summit will focus on does remain economic connectivity.

Question: Can you tell us about your briefings here (in the next few days)?

Official Spokesperson: We would propose to have a briefing every evening. The timings would be again subject to (a) who is doing it, and (b) when the work finishes. So, it will have to be a little flexible. But I think this is the time that you should be looking for. I would request you to sort of drop in here in the afternoon or whenever you feel like and we will keep you informed. I think tomorrow's briefing might be a little later than this.

Question: Today's meeting would be the basis for the Ministerial meeting

or the SAARC Summit. So, to what extent do you find agreement among the various participants?

Official Spokesperson: The work is still going on. Today's meeting will actually lead up to the Standing Committee meeting tomorrow which is not at Ministerial level but at the Foreign Secretaries level. So, this is the Programming Committee which will now reach its conclusions and they will submit their report. It would not be correct for me to get into more details than that.

Thank you.



179. Media Briefing by Foreign Secretary Shivshankar Menon on the meeting of SAARC Standing Committee.

New Delhi, March 31, 2007.

Foreign Secretary (Shri Shivshankar Menon): Good evening, ladies and gentlemen. We thought we might brief you on what has happened yesterday and today.

As you know, we had the Programming Committee meeting yesterday, and today morning we started the Standing Committee meeting of Foreign Secretaries of the SAARC countries. Both have been very productive meetings, very smooth, very cordial.

The Programming Committee yesterday agreed upon the calendar activities that will be undertaken. There was a general feeling I think in both meetings, yesterday and today, that we need to rationalize the activities of SAARC and to make it more efficient and I think that is what they have done by agreeing on a set of activities. Some of the more notable things that we have mentioned are: in 2007, in the year that comes, we will be hosting a SAARC Cultural Festival in India in November later this year. There will also be the first exhibition-cum-sale of regional handicrafts and textiles in the SAARC Museum of Textiles and Handicrafts. Some member-countries have also identified two super specialty hospitals each, which are to be linked. That project of telemedicine will be started in the next quarter.

The Car Rally will be reaching Delhi tomorrow after having been flagged off in Cox's Bazar on 15th of March and had a very successful and popular

run through many of our countries. We will also be hosting the second meeting of the Inter-Governmental Committee on Transport back to back with the Transport Ministers' Meeting later in the year. There will be a Conference on micro financing for women and home-based workers which we will host. We will also host in India in the next year a task force to discuss trafficking in women and children to see what we can do to oppose it.

The Programming Committee having agreed the Calendar of Events for 2007 and onwards, we then today met in the Standing Committee where we considered a substantial agenda and the reports of various other meetings that have happened so far. There are three or four things that I think might be worth highlighting. The Committee still has not finished its work. It will meet again tomorrow morning, will meet through the day tomorrow. So, what we will probably do is to brief you at the end of the day tomorrow about the work of the Standing Committee in detail.

As of now, this morning the Secretary-General presented his analytical report on the work of the Secretariat and the work of SAARC. He also reviewed what had been done by SAARC since the 13th Summit in Dhaka last year and spoke about what we would like SAARC to do in times to come. One theme, as I said to you, that ran through most of the statements was the need to rationalize SAARC's work and to make sure that SAARC moved from a declaratory phase to an implementation phase. I think we showed our keenness to do that, to make SAARC more efficient, I think in the way that we did our work today.

The one issue which was not on the agenda but was taken up under 'any other items' was Iran's application for Observer status in SAARC. The Committee decided unanimously to recommend to the Council of Ministers and to the Summit that the application be accepted. This is something that the Summit will have to take a decision on. But it went forward with a positive recommendation from the Committee.

We discussed several ideas which are now ripe or near fruition. The South Asia University for instance, which you would remember, had been suggested last year at Dhaka. There have been Expert Group meetings since. We are now working on an inter-governmental agreement that would enable us to move towards implementation of that concept.

The idea of a Regional Food Bank which would enable us to respond quickly when there is a need, whether due to natural disasters or for other reasons,

also seems ripe for an agreement. So, we are working on that right now. There was a general discussion of connectivity, of how to operationalise the SAARC Development Fund, and of other ideas to try, as I said, the thrust of all these discussions to make SAARC a practical instrument of achieving common prosperity in the region and to see what we could do to do that together.

As I said earlier, discussions were cordial, productive and very forward-looking. For the present, I think that is about all because, as I said, the Committee has not finished its work. We will have to work through tomorrow. At the end of it we would be happy to brief you.

I would be happy to answer any questions that you might have.

Question: Can you tell us something about what the negotiations on the SAARC Development Fund? You mentioned it in your previous briefing also. Is that also likely to be agreed upon during this meeting or will that take some more time? Secondly, will this inter-governmental Committee or inter-governmental agreement on the SAARC University be signed this time?

Foreign Secretary: As I said, we are close to finalizing the inter-governmental agreement on the South Asia University and we hope to do it in the next few days. That I think is everybody's attempt because everybody wants this done. But we have to do the last minute cleaning up of the text and that is what we are trying to do over the next two or three days.

On the SDF, on the Fund, I think there is clear understanding on the need to operationalise it, especially to get it to fund poverty alleviation projects in the region. You would remember that at the Islamabad Summit in 2004 we had offered 100 million dollars for poverty alleviation projects in other SAARC countries, not in India itself. Thereafter, there had been a series of meetings and there was an agreement on a scale of assessment among the SAARC countries so that we would end up with this 100 million dollars and a total fund of about 300 million dollars which would be available for not just poverty alleviation but to social sector projects as a whole. What we are now doing is, we are discussing really how to structure the fund, how to ensure that it is able to carry out the functions that we would like it to. So, that is really what the discussion is about, it is about the modalities. I hope we can do it. I am constant optimist. I keep hoping that we can do it in the next two or three days. But certainly, I think we are all determined to operationalise it as soon as possible.

Question: You said that you want to move from declaratory phase to implementation phase. In this context, have you taken up the issue of SAFTA? It is not yet implemented. Have you discussed this issue today?

Foreign Secretary: We discussed SAFTA and we intend to continue discussing it. To be accurate, it has been implemented by most of us for each other. The fact is that SAFTA is in operation for most of the members of the SAARC, for the overwhelming majority of SAARC. I think there is only one member who is not actually implementing it and again only for one other member, for us, for India. That is a problem we will address. We will discuss and we will try and solve that.

Question: What was their response in the meeting today?

Foreign Secretary: Today in the meeting I think everybody said that they were committed to SAFTA and they look forward to implementing it. In fact, there was discussion also taking SAFTA to the next level, which would be to look at free trade in services, to see whether there was a need for that. Today it is for goods and for a certain specified list of goods. So, the idea was to see how we could improve on this.

Question: Would you be at liberty to disclose the location of the South Asian University?

Foreign Secretary: We are still talking about it. The idea from the Working Group was that we would start in India but we would keep open the possibilities of campuses in all the other countries. What we would do is we would look at centers of excellence in particular fields and depending on what countries feel that they can do. So, as I said, at this stage what we have is an agreement that would enable us to establish an inter-governmental Committee to do the detailing. I think the ultimate idea of course is to produce an outstanding and world-class university, which would be one of the best in the world, which would cover all range of activities. But I think we will start small and then grow but ensure that we have quality. I think that is the basic idea behind the University.

Question: Could you give us an idea of what kind of role Observers will be playing, particularly in sectors of trade and terrorism? Is there any move from their side - some idea or proposal? Particularly I would like to know about China.

Foreign Secretary: I think when the decision is taken to have Observers in SAARC, they have also decided how they would associate them in the

working of the Summit and that they would, if represented at the Ministerial level, address the Summit. Also, I think the idea was to enable us to work out cooperation and arrangements between SAARC and the various Observers. That is something that we will have to do after the Summit. This is the first Summit where they will be coming as Observers. Thereafter, we look forward to working our programmes of cooperation with them, whether trade, whether counter-terrorism, whether any of the many subjects that SAARC covers because SAARC covers a whole range of sectors - social sectors, economic sectors. If you look at the list of the meetings for instance, you will see. I think we are open to cooperating with the Observers in all these sectors. But, as I said, it is a bit premature right now. This is the first Summit they are coming to. They will attend the Summit, and then we will work out methods of cooperation with each of them.

Question: Did you discuss any possibility of cooperation in telecommunications sector because nowadays among the SAARC countries they are still very high as compared to Europe and other countries?

Foreign Secretary: There was a suggestion actually that we should lower the tariffs among ourselves. I think some of us have quite low tariffs domestically but our international tariffs are perhaps higher. There was also a suggestion that we need to improve connectivity in terms of air links, direct air links, and so on among ourselves. This is something that for us is very important, I think, the idea of connectivity being improved by SAARC throughout the region. And, we would certainly encourage ideas like that.

Question: This is regarding the study that was conducted on transport connectivity in the region. Any project that you think there would be a discussion on?

Foreign Secretary: There was agreement that this Inter-Regional Multi-Modal Transport Study would be extended to Afghanistan as well. I think the basic idea is everybody was supportive and this is why we will now be having the Inter-Governmental Committee on Transport Meeting in the next six months. I think of the various projects that have been identified in the study, you would see three levels of sort of implementation. Some would be national, some you could do yourself in your own country; some would be bilateral, between countries; and some would be regional. So, I think what now remains is really to do that, to sort them into those that we will implement ourselves; those that any two countries would implement bilaterally; or in sub-regional context - three, four; and those which need regional work together. Some are clear. Things like motor vehicles event

and so on would logically be regional. But there are other things like customs stations that would be bilateral. I think that is the part that will now be done. But everybody was supportive of the study and welcomed what it had done.

Question: Just a few days before SAARC, both India and Pakistan have tested missiles. Are these fireworks really necessary for a meeting like SAARC?

Foreign Secretary: We both informed each other beforehand. When we test, we test for our own reasons, just as, I am sure, Pakistan tests for her own reasons. We would not have tested if we did not think the reasons were valid.

Question: There has been a report from the US that the FBI has picked up two Indians on suspicion of exporting various dual-use items to ISRO and a couple of other Indian companies. Apparently somebody in the Indian Embassy has also been named. Do you have any reaction to this?

Foreign Secretary: We are looking into the allegations. As soon as we have something for you, we will let you know. As of now, that is all. There are allegations, we are looking into them.

Question: This is regarding Sri Lanka. How would India be looking at it, if Sri Lanka raises this issue of ethnic violence in that country? Will India look at it as terrorism? Will it be discussed as terrorism at this forum?

Foreign Secretary: The issue that Sri Lanka raised today in the Standing Committee was terrorism. What she raised was joint action against terrorism, the need for the world to condemn it, and the need for SAARC to implement the various legal instruments such as the Convention on Suppression of Terrorism that we have already entered into. I think that is what Sri Lanka stressed. As I said, we are still continuing our discussion. I think we will be discussing that tomorrow when we come to it.

Thank you.



180. Media Briefing by Foreign Secretary Shivshankar Menon on the meeting of the SAARC Standing Committee.

New Delhi, April 1, 2007.

Foreign Secretary (Shri Shivshankar Menon): Good evening, ladies and gentlemen. I thought I would come and tell you what the Standing Committee did today. We had a very satisfactory and productive morning, adopted our report, finished our work by lunchtime, which shows you how efficient we are. Quite frankly, most of the things I mentioned yesterday, I think, those were brought to fruition in various ways. We used the afternoon to do some other work to look at the agreements. I am happy to tell you that we have made considerably progress in having a clean text of the inter-governmental agreement on the South Asian University. It is nearly finalized and we will now have to do one last check of that. We have the text of an agreement on the Regional Food Bank, which you remember I mentioned to you yesterday. We also, this morning, went around the room and each country pledged amounts to SAARC activity over and above its assessed contribution. You all know, the assessed contribution is what we have to make. It is part of our obligation. But above that each of us normally does something. India quadrupled her pledge to a Rs. 100 million in the next year, 2007-08 towards SAARC activities. Each of the countries did its pledging. What I thought I would do is I will give you maybe the highlights of what are in the Report of the Standing Committee which will now go to the Council of Ministers tomorrow. The Standing Committee, of course, was very happy at the successful organization of the first ever SAARC Car Rally, which you know has now reached New Delhi. We reviewed the work of SAFTA, which the Committee felt is one of the most successful outcomes of our collective efforts and were trying for early and full implementation of SAFTA. We have agreed that we will work towards that.

We looked at the Draft SAARC Agreement on Promotion and Protection of Investment which is still hanging fire and will need a little more work by all of us. We were also very happy to note that several agreements, trade facilitation agreements, have been undertaken since the Thirteenth Summit in Dhaka in November, 2005. These included an Agreement on Assistance in Customs Matters; an Agreement on Avoidance of Double Taxation, which has come into force in December last year, and an Agreement for the establishment of the SAARC Arbitration Council. The Committee also welcomed the offer from Pakistan to host the SAARC Arbitration Council. Among other trade facilitation measures, Sri Lanka offered to host the 8th

SAARC Trade Fair in Colombo in early 2005 and we accepted that with gratitude.

We also looked at the SAARC Development Fund and felt it was important to operationalise it as soon as possible, especially the social window which you know is the portion of the fund that will be devoted to poverty alleviation. We mandated the inter-governmental meeting to finalise the text, as soon as possible, of the agreement on the SAARC Development Fund. We will also look separately at operationalising the social window if we can.

The other issue which was discussed both yesterday and today was, of course, terrorism.. We are recommending to the Council and to the Summit a very strong statement not only of implementation of what we have already agreed but to see what further action we in the sub-region can take against terrorism. On transport, as I mentioned yesterday, it was decided to extend the regional study, Multi-Modal Transport System Study, to include Afghanistan. We also decided on a set of other measures we might take and felt that steps are possible at several levels - at national level, bilateral level, some sub-regional - two-three countries - and regional and listed these for implementation in the near future.

Lastly, again as I mentioned to you yesterday, the Committee today formally decided to welcome the Iranian interest in Observer status in SAARC and recommended its approval to the Council of Ministers. So, we had a very successful, smooth and quick meeting of the Standing Committee this morning where we approved our report, we have completed what we were asked to do. We now move to the Council of Ministers tomorrow. There will be a social event this evening when the External Affairs Minister I think hosts the other SAARC Foreign Ministers to dinner. Then tomorrow morning we will start the formal session of the Council of Ministers. As part of our effort to rationalize and make our work more efficient, it is going to be a one-day Council of Ministers meeting. We hope to conclude the meeting by tomorrow evening. We will come and tell you about it tomorrow evening about what happens in that meeting.

That is really all I have for you. If there are any questions, I will be happy to answer.

Question: The Standing Committee is supposed to review the implementation of the past decisions of the Summit. You have said with regard to SAFTA that the member-countries are trying to implement the agreement. What exactly is the situation? According to some reports, and

even the official report, it has come into force from July 1 and it has still to be implemented. What exactly is the situation?

Foreign Secretary: I think the actual situation is that SAFTA has been operationalised as of 1st of July last year. If you ask the countries concerned, everybody will tell you that they are implementing SAFTA. There is a difference of opinion in the case of one country which has a positive list system rather than the MFN system on which the rest of SAFTA is based. That is an issue that we will have to work our way through.

Question: You have mentioned this very strong statement that you would like to see ..(inaudible)... how the action against terrorism. Can you tell us from your point of view or among the participants, what sort of ideas or concrete measures are being floated on that?

Foreign Secretary: I think we are still discussing this. I think it might be best if we went into the concrete specifics at the end of the Summit because this is a process. We have discussed the issue here, we have discussed it yesterday and today, we will discuss it in the Council of Ministers tomorrow and we will ultimately be discussing it in the Summit. So, I think it is best if we get into the specifics at that stage.

Question: Would you say that one of the specifics was replicating the Indo-Pak Joint Mechanism experience on a broader scale with SAARC in total? Also, could you give some more details about the Multi-Modal Transport Study which includes Afghanistan?

Foreign Secretary: I think the study was actually done with help from the ADB, carried out by SAARC Secretariat. That came up with a series of recommendations where actions could be taken at different levels, as I said, national, bilateral, sub-regional; and priorities them. But this included various forms of transport. When I say multi-modal, it included road, rail and various things. When the study was done Afghanistan was not a member of SAARC. The idea is now to extend it to include Afghanistan and to see what other steps we could take, and to generate specific projects that we will undertake at these various levels, (for) each of us. We welcomed the study, the results that we had so far and we would like to see more of it. So, I think it is a part SAARC's effort to improve connectivity within the region which is so important to our development.

About the specifics of what we might do to counter terrorism, every possibility is open. It is for every country to suggest what it thinks is needed. We will

happily I think look at these ideas. Any idea that helps to counter terrorism, that helps us to eliminate terrorism I think should be welcomed.

Question: You just said that that you have finalized the proposal for a South Asia University. Can you tell us little more details? You said you have finalized it and you are giving it to the Council of Ministers tomorrow. Is there something on the location or whether some of the chapters of the University would be spread among the other countries and something like that?

Foreign Secretary: What I said was that we had almost finalized the text of the inter-governmental agreement on the South Asia University. That was the work that was done today. We went through the actual text, cleaned up the text and made sure that we all are agreed on the same set of words. On the South Asia University itself, the proposal that is before us in SAARC at these various meetings is the proposal from the Expert Groups from the Vice-Chancellors who met, who produced a concept paper, who suggested an agreement to us. That proposal is to start with a university with certain post-graduate faculties in India and then to expand until we have a University which would also have faculties in other countries in South Asia, each one depending on what they are best at and that we would try and build a University which would be among the best in the world, a world-class university in these faculties. I think that is the goal and that is the attempt. I find that there is a lot of speculation about where the University will be, which city, which place. Frankly, none of that has been actually decided yet. We will have to see as we come. I think we would be guided in this whole process of detailing the concept and actually bringing about the University by the function of this University, as I said, by the goal of creating one of the best universities in the world.

Question: You have used the words 'near future' for quite a few measures, basically poverty alleviation... Do you have any time limit?

Foreign Secretary: The time is in present continuous. I cannot define exact timeframe for all these things. I am afraid not.

Question: You said India quadrupled her contribution to SAARC. What about other member-countries? Have they also hiked their contribution? Secondly, in SAARC did you discuss, identify some issues on which SAARC members can cooperate at multilateral fora, on issues like UN reform or trade negotiations, how to improve the bargaining position of SAARC?

Foreign Secretary: Yes, other countries also increased their pledges to SAARC. I expect that this will continue to grow. The reason I cannot give

you the total figures is that each one of us expressed it in our national currencies. So, (it) becomes a bit difficult to convert it into one total figure for everyone. About global issues and coordination in our position, this is something that is normally done at the Council of Ministers level. We discuss it informally among the Foreign Secretaries actually but it is something that is normally done then, and also when the Ministers meet on the sidelines of the General Assembly every year. So, I cannot give you a definite list of all the things but we do make an attempt to coordinate positions on global issues. Things like WTO, for instance, we do discuss among ourselves whenever we get a chance.

Question: Mr. Secretary, when you pick up the question of Iran in the fold of SAARC, did you also take into view the positions that Iran and America have taken on account of Iranian nuclear programme, and was the decision unanimous?

Foreign Secretary: I think I mentioned yesterday that when the suggestion came it was unanimously welcomed and decided to recommend it. SAARC by definition, Article 10, excludes bilateral and contentious issues from what it does. So, I hope that answers your questions.

Question: In your discussion on terrorism, can you give us a flavour of the discussion - what did India say, what did Sri Lanka say, what did Bangladesh say, what did Pakistan say?

Foreign Secretary: I cannot.

Question: I have a 20 year long question. We have not had a visit of an Indian Prime Minister for the last 20 years. We are talking of regional cooperation in SAARC. When will this happen?

Foreign Secretary: I suggest you ask the Prime Minister but the fact is that actually an Indian Prime Minister had visited Sri Lanka in 1998, as you and I know. We also had visits before that by Indian Prime Ministers. Certainly we are looking at it and we hope it will happen soon.

Question: My question is on the issue of multi-modal transport or the connectivity as the thing of the SAARC Summit. How are you actually accommodating the bilateral transit facility and the SAARC regional connectivity? There are some differences between the states on the bilateral transit. How are you actually coordinating on this?

Foreign Secretary: This is why I said that when we did the multi-modal

transport study, I think we agreed on a set of measures that could be taken. That includes some steps which are actually national steps. For instance, improving land customs station. This is something that each country does for itself. So, it is a national step. There are some steps which are bilateral. If you are building a road, you might as well make sure that it is aligned with the road on the other side. There is some coordination required. Some are bilateral. Some are sub-regional, if it comes to transit between three countries. The question that you mentioned does not necessarily involve everybody at the same time, maybe not the whole region. But there are also issues that affect the whole region. The more we want to connect the region, it makes sense to do things like regional transport arrangements and so on so that it becomes easy for vehicles to move throughout the region. So, we are looking at it at all these levels. I think each country will do what it can depending on its level of comfort. I think that is the way we move it forward. I think the fact is that all the countries are convinced with the utility of connectivity. We will look at the specifics in each case and we will try and move it along whether bilaterally or nationally or sub-regionally or regionally.

Question: Will there be any bilateral agreements signed during the Summit at all? You have referred to the University and said that still some work needs to be done. So, apart from the Declaration, will there be any agreements at all? If there are not, do not you think it is a rather thin agenda?

Foreign Secretary: I am trying hard not to predict what we are going to be doing three days from now. But I am trying to give you a flavour of what is possible at this stage. And at this stage I do not think I should even say more than that because frankly there is still the Council of Ministers to come, there is the Summit to come. We will keep working at these issues right through.

Question: While Car Rally is zipping across South Asia with great fanfare, a poor cycle meaning well for India and Pakistan was stopped at the border without a visa. What kind of message is this sending to SAARC countries?

Foreign Secretary: You are asking me? Well, I think we have always made it clear that we would like as free and open a travel regime in South Asia as is possible, and we will work with our partners in South Asia to realize that. It does not exist yet, that is true. You are absolutely right. But we will do whatever we can to make it possible.



181. Media Briefing by Foreign Secretary Shivshankar Menon on the meeting of the SAARC Council of Ministers.

New Delhi, April 2, 2007.

Foreign Secretary (Shri Shivshankar Menon): Good evening, ladies and gentlemen. We have had a busy day today. We had a very smooth, productive and cordial Council of Ministers meeting. They just finished their work. They have adopted their report.

The Council met, first the Ministers met informally early in the morning, then came into the formal session and went through the items on their agenda which you have with you. Today afternoon, at five o'clock they just finished their work, they adopted their report. One thing that should interest you, they decided that fifty journalists from each country will be given SAARC stickers and visas. So, that at least should interest you directly. I knew that would put you in a good mood¹.

For the rest, they went through the agenda. Most of the agenda I think you will notice is items that they have prepared or recommended for the Summit meetings tomorrow and day after. They recommended the acceptance of the application from Iran for Observer status for instance.

They also discussed in some detail the operationalisation of the SAARC Development Fund. This was something that had not been finished by the expert level meetings earlier. They came to some clear conclusions on how it should be done, namely, that the SDF and its decision-making structures would be the exclusive domain of the SAARC member states, and that the Fund should start its work with the funds that have already been mobilized. As you know, we had committed a 100 million and others have also committed and totally there is about 300 million committed which has already been mobilized, and that the governance of the Fund would be in accordance with the principles in the Charter, and also that there is a need to mobilize funds outside the region, and that SDF would do so, and would work really through three separate windows - a soft window for poverty alleviation for social projects, there would be other windows which would

1. On the same day the External Affairs Minister Pranab Mukherjee addressing the meeting of the South Asia Free Media Association hinted at removal of irritants to free movement of media persons and products across South Asia. Though he did not elaborate on this what he said was: "probably, you will have not much to complain about when you meet next." He prefaced his remarks saying "We must encourage free movement of media products and personnel."

be commercial windows, for instance, for projects for infrastructure development, for other developmental works. So, it is our expectation that by the time we get to the next Council of Ministers in November, we would have the work done now that this Council has given us very clear directives on how to operationalise and what to do. I think that is a big step forward.

Apart from the Council of Ministers meeting today, there have been a series of bilateral meetings as well. In the last two days, External Affairs Minister Pranab Mukherjee met with Foreign Minister Kasuri in the afternoon. He also went to the SAFMA meeting where I think many of you heard what he had to say. In his meeting with the Pakistan Foreign Minister Kasuri, they reviewed bilateral relations, they looked at how we could take the relationship forward, they discussed Siachen, Sir Creek in some detail. Both were optimistic and looked forward to the talks between the Defence Secretaries which will take place in Islamabad from the 6th of April on Siachen and Sir Creek. On Sir Creek they noted that we completed the Joint Survey, that we have, therefore, one common map of the area from which we will now work and try to see how far we can take this issue to a resolution hopefully.

Yesterday evening External Affairs Minister Mukherjee met with the Sri Lankan Foreign Minister Bogollagama where they discussed the developments in Sri Lanka. External Affairs Minister reiterated India's approach that the conflict in Sri Lanka requires a peaceful negotiated settlement within the framework of a united Sri Lanka in which all the communities will feel comfortable. They discussed the ideas of devolution of powers within Sri Lanka. The Sri Lankan Foreign Minister informed him of developments, political developments within Sri Lanka. Minister Mukherjee also raised the issue of firing at our fishermen in the Palk Straits which, as you know, is sensitive. The Sri Lankan Foreign Minister informed him that no Sri Lankan Navy vessels had been nearby. They also discussed what we could do to prevent any such incidents in the future and to make sure that this does not happen².

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2. The same day the Sri Lankan Foreign Minister confirmed at a press conference separately that "there is no difference of opinion between New Delhi and Colombo on a negotiated settlement of the ethnic question in Sri Lanka." He said Sri Lanka was evolving a "home gown model" to resolve the ethnic issue. He said the government hoped to present proposals by mid-April. Asked whether the proposals would be unitary or federal, he said the "contents" and not the "label" was important. The Sri Lanka Foreign Secretary earlier told the media that every South Asian country was affected by terrorism at one time or the other. SAARC was the "correct vehicle" to undertake counter-terrorism operations in the region. The obligations under the SAARC had not been translated into law enforcement action by the grouping.

Day before yesterday External Affairs Minister Mukherjee met with the Bangladesh Foreign Minister where again the Minister from Bangladesh explained the situation in Bangladesh, recent developments. As you know, there have been several developments in the recent past. He spoke, particularly, of the determination of Government of Bangladesh to improve relations with India to, I think the term that was used was, 'to see whether we can make a new beginning and move this forward'. He also spoke about the campaign that Government of Bangladesh is presently undertaking against organized crime, against corruption in Bangladesh and their determination to see this through.

Later today, Prime Minister will be meeting the Dr. Fakhruddin Ahmed, the Chief Advisor to the Bangladesh Government this evening³. So, we will brief you on that later. Earlier today, Prime Minister met with the Prime Minister of Bhutan. He also met with the Prime Minister of Nepal.

In the meeting with the Prime Minister of Bhutan, they recalled the historic visit of His Majesty King Jigme Khesar Namgyal Wangchuk to India in February, 2007 when, as you know, we revised the treaty between India and Bhutan. Both Prime Ministers reiterated their desire to further strengthen the special warm and traditionally friendly ties that exist between India and Bhutan and to give them even greater momentum. Prime Minister Manmohan Singh reiterated our commitment to Bhutan's economic development and said that he would continue to be a reliable partner and bring full support, and also assured support to Bhutan in her process of transition to a democratic constitutional monarchy.

In the meeting with Prime Minister Koirala of Nepal, which was also held in

3. When Mr. Ahamed met the Prime Minister, the latter reportedly told him that India had a vested interest in a stable, prosperous and democratic Bangladesh. Bangladesh Foreign Secretary told journalists that the meeting was extremely positive in tone. "Both the Prime Minister and Chief Advisor wanted to move the bilateral relationship forward", Bangladesh Foreign Secretary Towhid Hussain said. When asked if Dhaka was tackling the Indian insurgent groups operating from Bangladesh, Hussain replied that the two leaders did not go into specifics. Meanwhile media reports said that on the eve of the SAARC Summit India was considering removing investment restrictions on Bangladesh. Along with Pakistan, Bangladesh is banned from making foreign direct investments (FDI) in India. Confirming this thinking Minister of State for Commerce Jairam Ramesh said on April 2: "We have sent a note to the Prime Minister who is looking at this issue seriously. In the context of the current bilateral trade, there is nothing much Bangladesh could export to India. But if Indian investments take place, their exports to India could increase." India had already offered to import an additional 80 lakh pieces of garments from Bangladesh over and above its SAFTA commitments.

a very warm, cordial and friendly atmosphere, Prime Minister conveyed India's full support to the success of the peace process in Nepal, and to the leadership of Prime Minister Koirala of this process. The Prime Minister expressed India's determination to work with Nepal to restore stability and to place Nepal on the path of economic development. There was a brief review of bilateral issues, which are proceeding smoothly, and both reaffirmed their commitment to work towards stronger and more friendly ties. Prime Minister Koirala extended an invitation to our Prime Minister to visit Nepal, which was accepted with pleasure.

I think I will stop there for now. I would be happy to answer any questions that you might have.

Question: Did the issue of SAFTA come up in the meeting? What is Pakistan's latest attitude on that?

Foreign Secretary: I think we have continued to discuss SAFTA. As you know, for the last three days we have been discussing it. Certainly, we both have I think slightly different views on whether or not what Pakistan has done vis-à-vis India is in compliance of SAFTA or not. This is an issue that we hope to work our way through together and it is something that we will have to continue to discuss. There is a SAFTA Ministerial process within SAARC and that has been asked to sort this problem out. We will continue to work at it.

Question: There have been reports coming from the Pakistani side, that have been leaked from their side, where they claim that India proposed a Mutual Legal Assistance Treaty yesterday with an extradition clause in it. We understand that the Pakistani side said that they are not interested in an extradition clause at all, extradition is something that should be bilaterally discussed, and has asked India to prepare a draft of its proposal. Can you confirm those reports?

Foreign Secretary: I think what has happened is that this is an issue that we have discussed with Pakistan, with other neighbours, for many years and obviously, we do not have identical views on it. There is a SAARC process, and Sri Lanka has offered to host a meeting to look at these issues. We have offered to circulate a draft of a possible Regional Mutual Legal Assistance Treaty. Once we have circulated the draft, once we have had the meeting, I think that would be the place where we would each then have to see how to work through our positions to see whether these can be reconciled or not. So, rather than jumping to conclusions right now, I think

what we have in place is a means within SAARC to deal with the issue which we hope to use to move this forward.

Question: Did the issue of terrorism come up before the Council of Ministers meeting, if so, in what way? Was it a forward movement on this issue or did they remain bogged down on definitions of terrorism? Finally, is there going to be a separate statement on terrorism, or is it going to be a part of the New Delhi Declaration?

Foreign Secretary: There was no bogging down on anything. As I said, the discussion was smooth, constructive. Nobody got into an argument about what a definition could be, would be, should be. We did not do that at all. I think it was clear that everybody was opposed to terrorism, that we were agreed that we need to not just implement the existing commitments but see whether we could not go beyond this. We will continue this discussion on terrorism and I think you will see the results at the end of the Summit.

Question: As we have a more cooperative Government in Dhaka, have we asked for transit facilities to the North-East through Bangladesh for others? We have been asking for a long time I believe.

Foreign Secretary: I think we are discussing the entire range of our relationship with this Government in Bangladesh. They have assured us that they want to remake these relations so that they can realize the full potential of what we can do together. Transit is one of the issues in that but it is not just transit. There is much more to the relationship. I think everything we are discussing. Everything is on the table and we will discuss them all as we work our way through the relationship. Do not forget that this is first contact in a sense. This is the first time that we have the leaders of the new Government in Bangladesh, visiting us, meeting and talking to us at the highest level.

Question: My question is on Nepal. Did Prime Minister Koirala ask for ...(inaudible)... What is India's position on the refugee problem between Bhutan and Nepal?

Foreign Secretary: On the situation in the Terai, they discussed the situation in the Terai. Prime Minister Koirala mentioned what he saw as the problems. We have already actually strengthened border controls along the Terai when disturbances started because, frankly it is in our interest it is in Nepal's interest. So, that is something that we are both agreed upon.

On the situation with the refugees in the camps in Nepal, Prime Minister Manmohan Singh reiterated the hope that Nepal and Bhutan would be in a position to resume their bilateral dialogue on the issue and find an early solution to what is essentially a humanitarian problem.

Question: On the issue of visas, which you referred to earlier, for journalists, at the SAARC Council of Ministers meeting in Dhaka it had been decided that journalists with five years accreditation would be issued SAARC stickers like the other categories that already are in existence for the sticker. Can you explain to us what is the logic of giving fifty stickers to journalists? I mean, how would it work in practice?

Foreign Secretary: I think the difficulty is really that there was a decision in principle to issue SAARC stickers to journalists, in Dhaka. But it has not been implemented. It has been some time since then. It has been more than a year. So, what they have done now is to decide that fifty journalists from each country will be given SAARC stickers and told the meeting of the Immigration officials, which is supposed to take place within the next few months to see about implementing this. It is part of the mandate that has been given to the Immigration officials because they are ones who ultimately implement these kinds of decisions. Unless you get it implemented, as you saw for the last year and a half, there is not much benefit for you. So, that is where we are today. The Council has decided to tell the Immigration offices to implement this decision. Now, let us see.

Question: What would be the criteria for this fifty of each country?

Foreign Secretary: I do not want to jump the gun. Let them go forward and decide this.

Question: The present Bangladesh Government has handed over a list of terrorists of Bangladesh who are staying presently in India. Was there any discussion of sending them back to Bangladesh?

Foreign Secretary: Not yet. But I am sure in the next few days we will discuss all these issues between us.

Question: This is again on SAFTA. Were the issues of services and investment also discussed?

Foreign Secretary: There was general agreement when we discussed it both in the Standing Committee and today in the Council among the Ministers that yes it is time to take SAFTA to the next level, to look at trade

in services as well and to bring it within the ambit of SAFTA or to do a separate agreement on trade in services. We are looking at both possibilities.

Question: Yesterday both Prime Minister and Prime Minister of Pakistan made strong statements on Kashmir. How did that reflect in the bilaterals today?

Foreign Secretary: It did not.

Question: You said that fifty stickers will be issued to the journalists. I am asking a question about two Pakistanis and two Indians working here and there for three years and four years, they are getting three months, six months. There is uncertainty with their families. Is it possible to include this one as part of that (proposal on visa stickers)? We are already working here and we are not asking about any welfare...

Foreign Secretary: I think that is something that we need to settle bilaterally. We have the suggestion for a revised visa agreement. One of the categories there is in fact for these kinds of visas, for business visas, for people who are working in each other's countries. I think that is something we really need to sort out. I agree with you. This cannot go on like this. I think we need to change it.

Question: I want to understand and know the rationale behind this recognition sort that has been given to SAFMA. What is the basis of choosing one body? Does that leave the option for other groups also to emerge and be given similar privileges? Part of the question is also whether SAFMA is going to be the clearing house for these fifty accreditations because lots of us disagree with its aims and objectives.

Foreign Secretary: I think the simple answer is that just because there is a particular body that is recognized, this is a recognized body by SAARC, does not preclude other bodies in the same area and the same field of activity from being recognized as well. If it is recognized as the apex body, then, yes it has a certain status which is more than just being a recognized body. But as of now, SAFMA is just a recognized body. So, it does not preclude any other groups. As for the visa stickers, the system is that visa stickers are issued by the Governments of the country where whoever is entitled to the sticker is a national. So, Governments issue stickers to their own nationals. If it is the visa stickers for the journalists, it will be the same system, governments issuing to their own nationals. So, the decision is the governments' themselves.

Question: Did Sri Lanka ask for enhanced cooperation in joint naval patrolling in Palk Straits? What is India's response?

Foreign Secretary: There was a discussion when the Foreign Ministers met yesterday evening. I mentioned that they discussed steps that could be taken to prevent incidents like this. The Sri Lankan side had suggested coordinated patrolling in the Palk Straits. That was one of the subjects which was discussed. I think we still have not come to a conclusion but it is one of the steps that we are considering, both sides, to see such incidents of firing at fishermen do not happen again.

Question: Given the fact that South Asia is one of the worst hit regions by terrorism in the world, what is your sense when the Foreign Ministers meet that how strong a statement will come out, a sort of a combined statement, and how important is that coming from SAARC given that we have Afghanistan, Pakistan, even parts of our own country, Bangladesh, all suffering from this trouble?

Foreign Secretary: I think you are absolutely right. It is a very important problem. It is crucial that we address it, we deal with it. I would expect the Summit to reflect that importance in the strength of the statement that it makes.

Thank you.



182. Address by President Dr. A. P. J. Abdul Kalam to the Heads of State and Government attending the 14th SAARC Summit.

New Delhi, April 3, 2007.

I am delighted to welcome the Heads of States and Heads of Government of SAARC countries from Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka participating in the 14th SAARC Summit. My greetings to all of you. Particularly, I extend a special welcome to Afghanistan into the SAARC fraternity. On behalf of the Members of both Houses of Parliament, my Government and the people of India, I wish you a successful outcome to your deliberations for making SAARC countries mutually benefit from each other's knowledge and experiences.

Your Excellencies, together we represent 1.47 billion people of this planet, which is around 25% of the world population. The inspiring and unique aspects of SAARC countries, that we share, are: firstly, the high intensity of bio-diversity in our region; secondly, we have the largest population of youth of the world; thirdly, our combined purchasing power has the potential to be the highest in the world; and also we are blessed and interconnected with a civilizational heritage that goes back for thousands of years. What better environment can any region in the world have, which is more favorable for socio-economic development, promoting peace and prosperity of the region as a whole, if we share a common vision and work together to realize our vision through dynamic missions.

In spite of these major structural advantages, there is an impression among the people of the SAARC nations that we have yet to make a distinctive contribution that can make a difference to lives of people in our region. Can we now together make an attempt to change this impression? I would like to share with you, if you agree; two experiences that relate to the impact of connectivities and rural development that are actually making a difference.

Vision for SAARC 2017

Let me start with my visualization of SAARC countries in the year 2017:

- a) The people living below poverty line will become near zero from the existing 25%.

- b) The per capita income of the SAARC region as the whole will increase from the present 2,777 US dollars to 10,000 US dollars.
- c) Infant mortality rate will become less than 10 per thousand from the present 260 per thousand prevalent in some of the countries.
- d) All the SAARC countries will be free from water borne diseases and receive affordable, quality health care.
- e) The SAARC countries will realize the goal of 100% literacy from the existing less than 40% in some of the countries.
- f) All citizens of SAARC countries will be empowered with quality education, healthcare and employment potential leading to overall enhancement in prosperity and happiness.

Core Competence of SAARC Countries

The main objective of SAARC is to provide a platform for the peoples of South Asia to work together in a spirit of friendship, trust and understanding for accelerating the process of economic and social development of Member States. SAARC countries have several core competencies and every country has a vision to become a developed nation in a time bound manner. Let us now focus on some of them which can be collectively pooled for mutual benefit. Afghanistan is endowed with natural resources such as untapped oil and natural gas, minerals and metals and animal husbandry resources such as sheep and lamb wool in substantial quantities. The Grameen Bank concept of Bangladesh which has made a difference to the life of many people has received international attention and acclaim. Bhutan is known for its hydel resources and is a model for the promotion of the concept of Happiness Index. India over the years has established itself well in IT and e-connectivity. Maldives is known for its innovation in tourism. Nepal for its bio-diversity and hydel resources. Pakistan has created a name for itself in cotton, textiles and apparels. Sri Lanka is known for tea and rubber processing. Let us see how these national competitive advantages can be harnessed for accelerating the transformation of the region as a whole.

Social and Economic Development:

Transforming SAARC into a fully developed region

Since over one billion citizens of SAARC countries live in villages, there is

an urgency for all of us to improve the conditions of rural life through better physical connectivity, electronic connectivity, knowledge connectivity, which together will lead to comprehensive economic connectivity. For this mission, we have to ensure that the overall GDP growth rate for SAARC countries has to reach 8% to 10%, and maintained at this level for the next ten years. For this, employment generation, particularly in the rural areas is very essential.

This necessitates spreading the development process to the rural sector. India has nucleated programme called PURA (Providing Urban Amenities in Rural Areas) involving a geographically co-located clusters of multiple villages with four connectivities namely physical, electronic and knowledge leading to economic connectivity. India with its six hundred thousand villages needs to have 7,000 PURAs. The specific needs of the PURA for different SAARC Countries can be worked out by the specialists based on terrain and socio-economic conditions prevailing in the particular region. Each PURA cluster, apart from concentrating on reinforcing agriculture, will emphasize on agro processing, development of rural craftsmanship, dairy, silk production and fishing in those nations having coast lines, so that the non-farm revenue for the rural sector is enhanced, based on the competitive advantage of the region.

It is also essential that the rural economy should be driven by renewable energies such as solar, wind, bio-fuel and conversion of municipal waste into power. With this approach, the core competencies in the rural sector would be harnessed for sustainable development of the economy as a whole.

PURA envisages an integrated development plan with employment generation as the focus, driven by provision of the habitat, healthcare, education, skill development, physical and electronic connectivity and marketing in an integrated way for a cluster of villages with critical mass. In India, we have five operational PURAs such as Periyar PURA, Byrraju PURA, Loni PURA, Chitrakoot PURA and Sakthi PURA. Government of India is also planning, in the first phase, to start two PURA clusters in each of the 600 districts in the country during the 11th plan period. With this strategy for the bottom of the economic pyramid, India should be able to transform the rest of its village economy into cluster based, economically viable village systems in the shortest possible time.

Profile of a typical PURA Mission

Based on the terrain and climatic conditions there could be four types of

PURA in the SAARC Region. They are plain terrain PURA, hill PURA, coastal PURA and desert PURAs. In the plains and coastal regions, the PURA population may be in the region of 20,000 to 100,000, cluster into economic systems of 20 to 30 villages. In a hilly or desert region, PURA may have a population of 7,500 to 15,000 people in a cluster of 30 to 100 villages or hamlets. Only then we can assure a high quality of life in the rural areas in a cost effective manner.

Creating competitive advantage for PURAs

PURAs are conceived not only as self-sufficient, economically viable village clusters, but each cluster is endowed with its unique competitive advantage in the form of a portfolio of special products relevant to that region and the local talents and skills. In this way each PURA will be able to contribute to the rest of the economy within and outside the country and thereby contribute to overall competitive advantage and economic strength of the entire SAARC region. Let me now give one example to illustrate the competitive advantage for PURA.

Periyar PURA (Tamilnadu): Periyar PURA complex pioneered by Periyar Maniammai College of Technology for Women, Vallam, Tanjore is functioning near Vallam having a cluster of over 65 villages in Tamilnadu which involves a population of 1 lakh. This PURA complex has all the three connectivities - physical, electronic and knowledge - leading to economic connectivity. The center of activity emanates from the women engineering college that provides the electronic and knowledge connectivity. Periyar PURA has health care centers, primary to post graduate level education and vocational training centers. This has resulted in large-scale employment generation and creation of number of entrepreneurs with the active support of 850 self-help groups. Two hundreds acres of waste land has been developed into a cultivable land with innovative water management schemes such as contour ponds and water sheds for storing and irrigating the fields. All the villagers are busy in cultivation, planting Jatropha, herbal and medicinal plants, power generation using bio-mass, food processing and above all running marketing centre. This model has emanated independent of any government initiative. The committed leadership has been provided by the engineering institution. Recently, 5 of Periyar PURA villages are connected through Wi-MAX Wireless and having minimum 4 mbps connectivity with the Periyar PURA nodal centre. It provides a sustainable economic development in that region.

Export Products from PURA Clusters: The members of Periyar PURA in

Vallam have selected 40 products out of 123 which will be produced by Periyar PURA with the support of an Export Promotion Organization. They displayed these products in an exhibition at New Delhi during February 2007 with remarkable success; the PURA members now propose to exhibit their products once again in Japan during June 2007. The feedback from each exhibition will be used to improve the quality and attributes of the product so that the customer satisfaction is enhanced. Technical Consultancy support for improving the product is being provided by academic institutions like Periyar Maniammai College of Engineering for Women. This type of localized support centre ensures creation and faster delivery of PURA products to acceptable national and international standards, by our craftsman and innovators in rural areas. This type of experience we will definitely share with SAARC countries. Now, I would like to share with you an international partnership experience between India and African Union.

Pan African e-Network

During the year 2003-04, I visited African countries such as Sudan, Tanzania and South Africa. I addressed the Pan African Parliament on 16 September 2004, at Johannesburg, South Africa which was attended by Heads of 53 member countries of the African Union. Based on my study of connectivity needs of African countries in communication, healthcare and education, I proposed the concept of Pan African e-Network using seamless and integrated satellite, fiber optics and wireless network connecting all the 53 African countries.

Twelve universities (7 from India and 5 from Africa), seventeen super specialty hospitals (12 from India and five from Africa), fifty three tele-medicine centers and fifty three tele-education centres in Africa will be connected through the Pan-African e-Network project. The first project on tele-education and tele-medicine in Ethiopia has already been commissioned. One of our Indian Universities IGNOU has taken up the MBA Course for 34 Ethiopian students of Addis Ababa and Harmaya Universities. As regards, tele-medicine, the specialists from CARE Hospital, Hyderabad are providing one-hour live tele-consultation daily to doctors in Black Lion Hospital, Addis Ababa in Cardiology and Radiology since November 2006. The Pan African e-Network will primarily provide Tele-Education, Tele-Medicine, Internet, videoconferencing and VOIP services. It also supports e-Governance, e-Commerce, infotainment, resource mapping and meteorological services. Each remote location will be able to access the Internet through the network by linking the HUB to

Internet backbone. Using this network the Heads of the State in all the 53 countries will be connected for instant communication. The network is designed to have 169 terminals and a central hub to deliver tele-education and tele-medicine services. The proposed network will utilize state-of-the-art technology and can be integrated with the latest broadband technologies like Wi-Fi and Wi-Max. The network is scalable to support different applications catering to increased number of users. 22 countries will be connected by the first half of 2007 and the remaining 31 countries will be operationalized by early 2008. This international partnership is mainly aimed to meet the millennium development goals of African Union. Based on this experience, I would like to propose the creation of a SAARC knowledge platform which will generate the knowledge input needed for sustaining our developmental growth and accelerate the regional transformation.

SAARC Knowledge Platform

SAARC Knowledge Platform will combine the core competencies of the SAARC nations and will become the launch pad for many innovations that are waiting to be unearthed only by the combined power of all the scientists and technologists drawn from SAARC countries.

Missions of SAARC Knowledge Platform: The convergence of Bio, Nano and ICT is expected to touch every area of concern to the humanity. The SAARC Knowledge Platform will take up the missions, in some of the areas given below, which are of utmost urgency to all of us to make SAARC region a safe, sustainable and peaceful and prosperous place to live:

1. **SAARC Nations' e-Network:** Creating e-Partnership in education, healthcare, business and trade similar to PAN-African network.
2. **Energy:** Transforming energy security to energy independence for the SAARC region.
3. **Water:** Enhancing quality of existing resources, efficient recycling technology, rain water harvesting, interlinking of rivers, seawater desalination using renewable energy.
4. **Healthcare:** Vaccine for HIV/AIDS, Malaria, Tuberculosis and other water borne diseases in the region and also using traditional medicine and working towards molecule to drugs programme based on the raw materials available in the region.

5. **Agriculture and food processing:** Increasing the per capita yield from agriculture, new-technologies for preservation, developing varieties of crops for semi-arid and arid region.
6. **Capacity building:** Capacity building in state-of-the-art internationally competitive skills development and higher education with research as a focus through partnership among the educational and R & D institutions of SAARC countries through direct and virtual class rooms.

The core competence of the SAARC countries will have to be pooled for design, development and marketing of world class products and systems. I would request Your Excellencies, to consider the establishment of SAARC Knowledge Platform meeting the unique needs of the regional development and arrive at a roadmap for its time bound implementation. SAARC countries will become equal partners in this SAARC Knowledge Platform, driven by the core competence of each country in the region.

Conclusion

India is conscious that GDP alone does not fully reflect in the quality of life of a large number of people, particularly in rural areas and even in urban areas. This may be true in SAARC nations also. For a comprehensive and inclusive approach to a measure of true socio-economic development, we have evolved what is called a National Prosperity Index (NPI) which is a summation of (a) annual growth rate of GDP; plus (b) improvement in quality of life of the people, particularly those living below the poverty line plus (c) the adoption of a value system derived from our civilizational heritage in every walk of life.

It may be noted that the concept of National Prosperity Index includes the factor of the International Human Development Index. That is $NPI=a+b+c$. Particularly, 'b' is a function of availability of housing, good water, nutrition, proper sanitation, quality education, quality healthcare and employment potential. 'c' is a function of promoting the joint family system, creation of a spirit of working together, leading a righteous way of life, removing social inequities, and above all promoting a conflict free, harmonious society. This will be indicated by peace in families and communities, reduction in corruption index, reduction in court cases, elimination of violence against children and women and communal tensions. There should also be progressive reduction in the number of people living below the poverty line leading to its becoming near zero by 2017. All our efforts in improving the national economic performance should be guided by the measured National Prosperity Index of the nation at any point of time.

Based on this or a similar model let us evolve a SAARC Prosperity Index which will represent the overall quality of life of the people in the SAARC region. This will enable the SAARC organization and its systems of programme management to implement SAARC programmes in an effective manner that will make a difference to the lives of the people in the region.

I wish you all a purposeful and productive deliberation towards setting up a roadmap for enhancing prosperity and harmony in the SAARC region.

May God bless you.



183. Address by Prime Minister Dr. Manmohan Singh to the 14th SAARC Summit.

New Delhi, April 3, 2007.

It is a great honour and privilege for me to welcome you all to New Delhi for the 14th SAARC Summit. Excellencies, Please allow me to express, on behalf of all member states, our deep appreciation for the excellent leadership that Bangladesh has provided to SAARC during its Chairmanship over the last one year. I must also thank the SAARC Secretary General and the SAARC Secretariat for their commendable contribution to SAARC and the preparatory work for this Summit.

I also wish to welcome President Hamid Karzai and the Islamic Republic of Afghanistan into the SAARC fraternity. India feels privileged that Afghanistan's first SAARC Summit, as a full member is being hosted by India.

I also welcome amidst us, the People's Republic of China, Japan, Republic of Korea, the United States of America and the European Union, who are Observers to this Summit.

South Asia is in the midst of an unprecedented political and economic transformation. The political transitions, painful as they may be, are something that each one of us has to work out for ourselves, within our countries and between our governments. I see signs of hope that our governments are now addressing the bilateral political issues that have prevented us from achieving our potential. We must now make a break with the past and join hands to realize our common shared destiny.

There is also today economic vibrancy and social change in every country of South Asia. Never before has it been truly within our capacity to envisage a future where our people are free of the twin curses of poverty and disease. It is possible today. It is here that SAARC has the real opportunity to realize the goals of our Charter: "to promote the welfare of the peoples of South Asia and to accelerate economic growth, social progress and cultural development in the region."

The question before us is whether we will seize this unique opportunity that beckons us all. Can we make this association of states touch and improve the lives of our peoples?

Connectivity -- physical, economic and of the mind, enabling us to use fully our geographical and resource endowments, has historically been the key to our region's peace and prosperity. South Asia has flourished most when connected to itself and the rest of the world.

The SAARC Rally that we have just flagged off, and the popular response that it has evoked, are graphic reminders of the potential of connectivity. The study for a regional multi-modal transport system has given us a useful basis to carry this work forward. As an immediate step, I propose that we link all our capitals through direct flights.

However, the dream of full regional connectivity will not be realized merely by building roads and railways. We must commit to actually making the travel freer and easier. As an immediate step, India is announcing a unilateral liberalization of visas for students, teachers, professors, journalists and patients from SAARC countries. Let us aim to double the intra-SAARC flow of tourists in the next five years.

We should encourage our civil society to interact and develop the habit of cooperative thinking. Our agreement to establish a South Asia University, as a world-class institution of learning, will be an important symbol of the connectivity of ideas and of our youth that would build the knowledge economies of the future.

There is an ongoing process of building an open and integrated market from the Himalayas to the Pacific, covering a vast and dynamic economic region. SAFTA could have a major role to play in this new emerging architecture. India is ready to accept asymmetrical responsibilities, opening her markets to her South Asian neighbours without insisting on reciprocity. I am happy to announce today that we will allow duty free access to India before the end of this year to our South Asian neighbours who are Least Developed Countries and further reduce the sensitive list in respect of these countries.

It is time that SAARC Region began to address global issues and to consider how we might do so together. Energy security, food security and climate change are all issues that impact on our development strategies and which need our focused attention.

All of South Asia is now or will soon be short of energy. A South Asian energy community could start by harmonizing systems and methods and grid structures and ultimately move on to an energy exchange with energy markets that cover the whole South Asian region. Promoting appropriate local technologies for harnessing renewable energy is an area we could consider for future cooperation.

We are taking a first step towards improving food security by setting up a Regional Food Bank at this Summit. It will meet shortages and losses caused by natural calamities such as floods and droughts.

I have a compelling vision of an inclusive, plural and rapidly developing South Asia playing its role in an interdependent world's economic development and peaceful evolution. I am therefore particularly happy that this Summit should see the high level presence of observers from outside the region. In the coming years, SAARC will learn to work with our partners from outside the region evolving ways of involving them in our progress.

To realize our hopes, we need SAARC to be an efficient instrument implementing what we member states seek. After several years of effort, the time has come to move SAARC from a declaratory phase to action and implementation. If we can complete work on the tools that we need, such as the SAARC Development Fund, and work realistically with each other, there is no reason why we cannot translate the vision of our Charter into a solid reality. However, a primary requirement for the fulfillment of our vision of prosperity and cooperation in South Asia is peace.

We should therefore implement in a meaningful and sincere manner the commitments and pledges to root out terrorism so as to create the atmosphere in which our endeavours can succeed.

We stand today at a moment of great opportunity. It was once said that, "positive expectations have a way of leading to positive outcomes". I believe that time has now come for SAARC to show that this indeed is so. Let us work together to make it happen.



184. Closing Remarks of Prime Minister Dr. Manmohan Singh at the 14th SAARC Summit.

New Delhi, April 4, 2007.

It is my proud privilege and pleasure to extend my profound appreciation and gratitude to your Excellencies for the immense cooperation you have all extended to me.

The Declaration adopted today is comprehensive and forward-looking. It gives SAARC a wider mandate to promote peace and development in our region, including through greater connectivity - in trade, in the movement of people and through the flow of ideas.

During this Summit we had the honour of admitting Afghanistan to take its due place in the comity of SAARC. We also had the privilege of welcoming Observers for the first time. They are among our major civilisational neighbours and economic partners. *This manifests our common desire for SAARC to be outward looking and engaged with the world community; to be a springboard for exploiting the vast physical and intellectual resources of South Asia.*

Our Summit has agreed to operationalise the SAARC Development Fund; establish the South Asian University; create a SAARC Food Bank; and, set up the SAARC Arbitration Council. *The cooperation and accommodation that have characterized our deliberations and negotiations show that our countries are ready for a transformation of SAARC into an effective instrument of regional cooperation.*

The quality of our discussions in the Retreat today morning gives me confidence that we can soon bring the fruits of SAARC to our people. We have agreed to make tangible progress in the next six months on four issues which affect our people's daily lives: water (including flood control), energy, food and the environment. We will work with international agencies to develop and implement viable cross-border regional projects in these four sectors, which address our people's basic needs.

We have also decided to designate 2008 as the "SAARC Year of Good Governance".

Excellencies, Ladies and Gentlemen,

The founders of SAARC based their vision on our ancient links, our contemporary needs and our future potential. We must nurture our common

roots, extend our branches of cooperation and enable the resultant fruits to reach our people. This we owe to our people. This we owe to posterity.

India has come to occupy the chair at an important moment in our region's history. Our region has been transformed in the last half century. Yet, we face the challenge of being home to the largest concentration of poor and illiterate people. We must win decisively the war against poverty, ignorance and disease. *I cannot agree more that the touchstone of our efforts to reinvigorate SAARC must be the difference our efforts make to the lives of the poorest of the poor and the weakest of the weak. This is our highest mandate.*

To win this war, we must work together. We must resolve our differences, and we must enhance regional cooperation. We must also win the war against all forms of extremism and intolerance in our region. Our people have immense creative potential. If we invest in their capabilities and create an environment in which these capabilities bear fruit, South Asia will march forward in confidence and in peace. It should be our endeavour to work together to make that future happen.

In the discussions we have had, *I can say with all sincerity that I did feel a new sense of purpose and determination among the leaders of SAARC. We stand today at the crossroads of historic change and opportunity. I believe that this Summit has given us the hope that we can live in peace and amity and the confidence that we can make SAARC work.* I pledge to work sincerely under the able guidance and cooperation of the leaders of South Asia to make the year ahead a turning point in the history of SAARC. *I believe that a new dawn is breaking out over South Asia and that we are all set to fulfill the promise and vision of SAARC.*

Excellencies, Ladies and Gentlemen

I thank you all, once again, for your leadership, your support and your friendship.

I thank all of you.



185. Declaration of the Fourteenth SAARC Summit.

New Delhi, April 4, 2007.

The President of the Islamic Republic of Afghanistan, His Excellency Mr. Hamid Karzai; the Chief Adviser of the Government of the People's Republic of Bangladesh, His Excellency Dr. Fakhruddin Ahmed; the Prime Minister of the Kingdom of Bhutan, His Excellency Lyonpo Khandu Wangchuk; the Prime Minister of the Republic of India, His Excellency Dr. Manmohan Singh; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of Nepal, Rt. Hon'ble Mr. Girija Prasad Koirala; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Shaukat Aziz; and the President of the Democratic Socialist Republic of Sri Lanka, His Excellency Mr. Mahinda Rajapaksa, met at the Fourteenth Summit meeting of the South Asian Association for Regional Cooperation (SAARC) held in New Delhi, India on April 3-4, 2007.

2. The Heads of State or Government welcomed the entry of the Islamic Republic of Afghanistan into SAARC. This was a historic moment as Afghanistan assumed its rightful place as a valued member of the SAARC fraternity.
3. The Heads of State or Government reiterated their commitment to the principles and objectives enshrined in the SAARC Charter. With the welfare of the peoples of South Asia uppermost in their mind, they agreed to build a Partnership for Prosperity and work towards shared economic cooperation, regional prosperity, a better life for the people of South Asia, and equitable distribution of benefits and opportunities of integration among the peoples and the nations.
4. The Heads of State or Government recognised the importance of connectivity in fulfilling these objectives. It was vital to first have better connectivity within South Asia and then with the rest of the world. They agreed to improve intra-regional connectivity, particularly physical, economic and people-to-people connectivity. They agreed to the vision of a South Asian community, where there was smooth flow of goods, services, peoples, technologies, knowledge, capital, culture and ideas in the region. The SAARC Car Rally, in the run-up to the Fourteenth SAARC Summit, had vividly symbolized this connectivity.

5. The Heads of State or Government recognised that the remarkable growth of the economies of SAARC countries has opened new opportunities to pursue the fight against poverty with firm resolve. They called for deepening of pro-poor orientation of growth process, including through enhancing investment in human capital and infrastructure, increasing budgetary allocations for relevant sectors and improved delivery of services. They reiterated their commitment towards project-based cooperation to strengthen collective efforts in the region.
6. The Heads of State or Government acknowledged that there is a wide range of homegrown best practices and innovative solutions for transforming the lives of peoples in South Asia. They decided to earmark one rural community as SAARC Village in each Member State to showcase these innovative models of development in order to further replicate these across the region.
7. The Heads of State or Government recognised that the implementation of the Social Charter needs focused attention and directed the National Coordination Committees (NCCs) to formulate concrete programmes and projects to complement national implementation efforts. They underscored that civil society organizations have a vital role to play in driving forward the implementation of the Social Charter and directed the NCCs to mobilize civil society organizations to achieve this end.
8. The Heads of State or Government appreciated the Independent South Asian Commission on Poverty Alleviation (ISACPA) for its elaboration of the SAARC Development Goals (SDGs), which reflect the regional determination to make faster progress towards attaining the Millennium Development Goals (MDGs). They agreed that the national plans for poverty alleviation should appropriately mirror the regional consensus reached in the form of the SDGs and the Plan of Action on Poverty Alleviation. Deciding that resource mobilization for achieving the SDGs would remain a high priority in the Decade of Poverty Alleviation, the Leaders directed translation of the highest regional level political commitment into action for creating opportunities for productive employment and greater access to resources for the poor that are essential for them to enhance their livelihood and realize their potentials. They entrusted the Two-tier Mechanism on Poverty Alleviation to monitor the progress and fine-tune the approaches towards pro-poor growth process.

9. The Heads of State or Government recognized the full benefits of an integrated multimodal transport system in the region. They emphasized that this would not be realized unless physical infrastructure and matters relating to customs clearance and other facilitation measures, including multimodal transport operations, were addressed comprehensively. They called for an extension of the SAARC Regional Multimodal Transport Study (SRMTS) to include Afghanistan as well. They also called for early implementation of the recommendations contained in the Study in a phased manner. In this context, the Heads of State or Government directed the Inter-Governmental Group on Transport to identify and develop sub-regional and regional projects based on the prioritised recommendations of the SAARC Regional Multimodal Transport Study (SRMTS) and to develop appropriate regional agreements. They noted the offer of India to hold the Meeting of SAARC Ministers of Transport in New Delhi in 2007. They also directed that pilot projects for improving connectivity be identified and implemented through mutual consultations among the Member States.
10. The Heads of State or Government emphasized that in its third decade of existence, there was an urgent need to move SAARC from declaratory to implementation phase. They directed that the focus of SAARC should be on implementing collaborative projects that are concrete and effective. The SAARC Development Fund (SDF) is an important pillar that would bring concrete benefits to the people of the region. They directed that the SDF be made operational at the earliest. They agreed that the resources for SDF would be mobilised both from within and outside the region. They stressed the importance of decision making and working of the SDF being consistent with the SAARC Charter. They called for early identification and implementation of regional and sub-regional projects under the SDF.
11. The Heads of States or Governments recognized the region's rapidly increasing energy demands for meeting the developmental needs of SAARC countries. They also acknowledged the need of expediting development of conventional sources of energy in a sustainable manner and for strengthening renewable energy development such as in hydropower, bio-fuel, solar and wind. They welcomed the organizing of the first ever South Asia Energy Dialogue in March 2007 in Delhi. They called for early implementation of the recommendations of the Second SAARC Energy Ministers' Meeting to enhance regional cooperation.

12. The Heads of State or Government reiterated their deep concern at the continued degradation of environment and reaffirmed the need to further strengthen cooperation towards protection and conservation of the environment as a priority area. In this regard, while noting the progress in the implementation of the SAARC Plan of Action on Environment, they called for concerted efforts to implement various initiatives under the Plan in a timely manner.
13. The Heads of State or Government expressed satisfaction at the launching of 2007 as the 'Year of Green South Asia'. They reiterated that collaboration in addressing the problem of arsenic contamination of groundwater, desertification and melting of glaciers and assistance to affected peoples should be deepened. They expressed deep concern over global climate change and the consequent rise in sea level and its impact on the lives and livelihoods in the region. They emphasised the need for assessing and managing its risks and impacts. They called for adaptation of initiatives and programmes; cooperation in early forecasting, warning and monitoring; and sharing of knowledge on consequences of climate change for pursuing a climate resilient development in South Asia. They agreed to commission a team of regional experts to identify collective actions in this regard.
14. The Heads of State or Government stressed the need for closer regional cooperation in the field of information and communication technology. They noted with appreciation the establishment of a collaborative health care project involving a regional telemedicine-network. They directed that steps be taken to extend it to other ICT enabled fields such as education. They agreed to take steps to facilitate rationalization of telecom tariff on a reciprocal basis. They also agreed that national and regional telecom infrastructure should be upgraded to boost people-to-people connectivity in the region.
15. The Heads of State or Government noted with satisfaction timely ratification of SAFTA Agreement by all member countries. They stressed the need for ensuring effective market access through smooth implementation of trade liberalization programme and directed the SAFTA bodies to review the progress on a regular basis. They emphasized that SAFTA should be implemented in letter and spirit. Successful implementation of SAFTA will catalyse other areas of regional economic cooperation. They stressed that to realize its

full potential, SAFTA should integrate trade in services. They called for a finalisation of an Agreement in the services sector at the earliest. They also directed that the Agreement on Investment Promotion and Protection be finalized.

16. The Heads of State or Government underlined the importance of implementing trade facilitation measures, especially standardization of basic customs nomenclature, documentation and clearing procedures. They directed that a comprehensive agreement on harmonizing customs procedures be finalised. They also noted that harmonization of technical and phyto-sanitary standards and their implementation in a trade-friendly manner is important in boosting intra-regional trade. They appreciated the establishment of the SAARC Standards Coordination Board that would function as a precursor to the SAARC Regional Standards Body.
17. The Heads of State or Government complimented the SAARC Finance Ministers for finalising the framework of cooperation on financial issues in the region. They expressed satisfaction at the work of the Inter-Governmental Expert Group on Financial Issues.
18. The Heads of State or Government emphasized the need to develop, at an early date, a roadmap for a South Asian Customs Union and a South Asian Economic Union in a planned and phased manner.
19. The Heads of State or Government noted the cultural and social ties among the SAARC countries, based on common history and geography, and reiterated that the future of peoples of South Asia is interlinked. They stressed the importance of people-to-people contact as a key constituent in regional connectivity. They acknowledged the importance of intra-regional tourism and increased exchanges, particularly among the youth, civil society, and parliamentarians. They launched the SAARC Agenda for Culture and directed that annual SAARC Festivals for cultural exchange be institutionalized. They agreed to take measures to charge nationals of SAARC Member States fees for entry into archeological and heritage sites as applicable to their own nationals. They also directed that an enlarged SAARC Scholarship Scheme in ICT and related areas be instituted. They welcomed the offer of Bangladesh to host the First SAARC Youth Camp in 2007.

20. The Heads of State or Government decided to establish the South Asian University in India. They welcomed the signing of the Intergovernmental Agreement establishing the University. They further directed that the Intergovernmental Steering Committee be set up at the earliest to complete its tasks relating to the Charter, bye laws, rules and regulations, curriculum development, business plans and other issues. They also decided to strengthen cooperation and dialogue on educational matters through development of exchanges between academics, experts, policymakers, students and teachers. They called for inter-institutional cooperation, partnerships, and other regional initiatives in the field of education.
21. The Heads of State or Government acknowledged that women's full participation in all spheres of society, including participation in the decision-making process are fundamental for the achievement of equality and development. They noted that many sections of women and children continue to be in disadvantaged positions and lack equal opportunities for economic and social development. They emphasized that women's empowerment should be a major objective of regional cooperation. Regional projects should focus on addressing issues relating to women and children.
22. The Heads of State or Government stressed the need to collectively overcome the challenges of poverty, disease, natural disasters and terrorism. They confirmed that countries of South Asia must work together to deal with these challenges in order to secure the region's collective prosperity.
23. The Heads of State or Government acknowledged that countries of South Asia face challenges of food insecurity and malnutrition. In order to manage emergencies caused by natural and manmade calamities and food shortages, they welcomed the signing of the Intergovernmental Agreement establishing the SAARC Food Bank with the participation of all the SAARC countries. The Food Bank will supplement national efforts to provide food security to the people of the region.
24. The Heads of State or Government noted the challenges confronted by the countries of South Asia in ensuring food and nutritional security as well as in maintaining vibrant rural economy for agricultural development. They underscored the need for enhancing productivity and real wage in rural sectors, and for creating adequate non-farm

employment to sustain the progress made in reducing poverty. Noting the constant decline in land availability and biodiversity, depleting soil and natural resources, lowering ground water levels, shrinking farm holdings as well as low and stagnating productivity, they recognized the imperative of reducing the wide gap between yields at the research and the farm level. They stressed, in particular, that South Asian agriculture must benefit from collaborative efforts within and among SAARC countries in developing an effective agriculture research, extension and farmers' linkages, and exchange of farm technology.

25. The Heads of State or Government underlined that terrorism is a threat to peace and security in the region. They condemned the targeted killing of civilians and terrorist violence, in all its forms and manifestations, wherever and against whomsoever committed. The Heads of States or Government affirmed that terrorism violates the principles of the Charters of the United Nations and SAARC and is a clear and present threat to international peace and security. They reaffirmed their commitment to implement all international conventions relating to combating terrorism, to which SAARC Member States were respectively parties, as well as the SAARC Regional Convention on Suppression of Terrorism and the Additional Protocol to the SAARC Regional Convention dealing with the prevention and suppression of financing of terrorism. While urging continued efforts to combat terrorism, the Heads of State or Government also called for urgent conclusion of a Comprehensive Convention on International Terrorism.
26. The Heads of State or Government agreed to work on the modalities to implement the provisions of the existing SAARC Conventions to combat terrorism, narcotics and psychotropic substances, trafficking in women and children and other trans-national crimes. They expressed their commitment to take every possible measure to prevent and suppress, in particular, financing of terrorist acts by criminalizing the provision, acquisition and collection of funds for such acts, including through front organizations and also to counter illicit trafficking of narcotic drugs, trafficking in persons and illicit arms. They reiterated the need for law enforcement authorities of Member States to enhance cooperation in the prevention, suppression and prosecution of offences under these Instruments. They noted the initiative of India to prepare a draft of SAARC Convention on Mutual

Assistance in Criminal Matters and welcomed the offer of Sri Lanka to hold a meeting of Legal Advisers to examine the idea of a draft convention, before the Second Meeting of SAARC Interior/Home Ministers scheduled to be held in October 2007 in India. They also directed them to ensure regular follow-up and implementation of the decisions taken.

27. The Heads of State or Government recognised that corruption was an issue of serious concern and agreed to exchange information on national experience in combating corruption to effectively address this problem.
28. The Heads of State or Government reaffirmed their commitment to a rule-based multilateral trading system. They recalled that the Doha Round was premised on the centrality of development. They directed the Commerce Ministers to work closely to co-ordinate their positions to ensure that the centrality of the development dimension in all areas of negotiations for creating new opportunities and economic growth for developing countries was fully realized. They called upon all members of WTO to show commitment for a successful conclusion of the Doha Round.
29. The Heads of State or Government welcomed the People's Republic of China, Japan, European Union, Republic of Korea and the United States of America, to be associated as Observers to SAARC. The region would benefit from these external linkages and help its economic integration with the international community. The Heads of State or Government also welcomed the Islamic Republic of Iran to be associated as Observer to SAARC.
30. The Heads of State or Government welcomed with appreciation the offer of the Maldives to host the 15th Summit Meeting of the Heads of States or Governments of the South Asian Association for the Regional Cooperation (SAARC).



186. Media Briefing by External Affairs Minister Pranab Mukherjee at the end of 14th SAARC Summit.

New Delhi, April 4, 2007.

External Affairs Minister: We have just concluded a very successful, indeed a landmark, 14th SAARC Summit. Let me briefly go over some of the main points.

For the first time in its history, SAARC expanded its membership to welcome Afghanistan as its eighth member. Again, for the first time, five Observers from outside the region attended the Summit, which also decided to give a similar status to Iran. The expansion of SAARC and the developing external linkages are indicative of the high level of maturity that SAARC has reached as an organization.

The Summit adopted a comprehensive and forward-looking New Delhi Declaration, which sets out the core principles underlining our collective vision of an inter-connected South Asia where there is a free flow of goods, services, people and ideas. At the Retreat this morning, the Leaders agreed to make tangible progress in the next six months on four issues that affect the daily lives of our people. These include water (including flood control), energy, food and the environment. They decided to work with international agencies to develop and implement viable cross-border regional projects in these four sectors, which address our peoples' basic needs. The Leaders also decided to designate 2008 as the "SAARC Year of Good Governance".

During the last few days, there have been intensive discussions on how to move SAARC forward at a time when South Asia is in the midst of an unprecedented political and economic transformation. There was unanimous support for moving SAARC from the declaratory to the implementation phase. In this context, we committed ourselves to early operationalisation of the SAARC Development Fund. This will allow us to implement concrete projects, particularly for alleviation of poverty in the region. India is keen to utilize its offer of \$ 100 million for this purpose.

This has been a highly productive Summit in terms of two very important intergovernmental agreements that were signed to establish the SAARC Food Bank and the South Asian University. The Food Bank will be developed as an exemplary model of regional cooperation to collectively meet our region's food shortages in times of emergencies and natural calamities.

The South Asian University, which will be developed as a center of excellence in higher education for the entire region, is yet another milestone in the history of SAARC. This will be a multi-campus University. We will set up a Steering Committee to draw up the Charter, bye-laws, course curriculum, governance structure, and administrative and financial issues for the University.

Connectivity was the overarching theme of the Summit. This was aptly symbolized by the flagging off of the SAARC Car Rally just before the inaugural by the Leaders. We decided to extend the SAARC Regional Multimodal Transport Study to Afghanistan that will speed up the move to greater connectivity in our region and in turn connect our region to Central Asia and beyond. The Intergovernmental Group on Transport has been directed to identify and develop sub-regional and regional projects based on the prioritized recommendations of the SRMTS.

There was full agreement that SAFTA was one of the most successful outcomes of SAARC's collective efforts. We all agreed that it must be expanded to cover trade in services. We also underlined the importance of trade facilitation measures. As the largest country in the region, India is ready to accept asymmetrical responsibilities, including opening her markets to her South Asian neighbours without insisting on reciprocity. PM has already announced that before the end of the current year, India will allow the Least Developed Countries among its South Asian neighbours duty free access to its markets. It will also further reduce the sensitive list in respect of these countries. India also hopes that difficulties related to the full operationalisation of SAFTA will be resolved and that all member States will be in full compliance of SAFTA provisions in letter and spirit.

The decisions that we have taken at this Summit will not only boost intra-regional trade and investments but also promote cultural exchanges and travel within our region. In this regard, Prime Minister, Dr. Manmohan Singh proposed connecting all the SAARC capitals with direct flights. He also announced unilateral liberalization of visas particularly for students, teachers, professors, journalists and patients from the region. The Summit also decided to cover 50 journalists from each SAARC country under the SAARC Visa Exemption Scheme.

A calendar of activities has also been drawn up for this year to prioritize and rationalize our programmes. As the present Chair of SAARC, India will focus on implementing decisions taken and projects initiated. Within this year, we will implement a regional telemedicine network connecting two hospitals in

each of the SAARC countries with super-speciality hospitals in India. The Museum of Textiles and Handicrafts will begin its activities with an exhibition-cum-sale of artifacts, crafts and textiles from the region. Each member State will also earmark one rural community as SAARC Village to showcase innovative models of development and poverty alleviation and home grown best practices for transforming the lives of the people in South Asia.

India will also host Ministerial meetings of Finance, Commerce, Home and Transport to prioritize our work in these areas.

Deliberations at the Summit and other meetings also reflected the strong condemnation of terrorism. The Leaders re-affirmed their commitment to combat this scourge and agreed to consider India's proposal to work towards finalizing an Agreement on Mutual Legal Assistance in Criminal Matters.

In terms of atmosphere, this was the smoothest, least contentious Summit ever. Clearly, this is on account of the fact that there is recognition that SAARC is an idea whose time has come. The constructive deliberations at various meetings of the Heads of State or Government, of the Council of Ministers and of Senior Officials and the high level presence of Observers, including the expression of interest of others, are all testimony to the fact that this is recognized not just within the region, but also outside of it.

The presence of Leaders at the Summit provided an excellent opportunity to hold bilateral discussions for energizing our substantive neighbourly ties with each of the Member States of SAARC.

Let me conclude by stating that India is firmly committed to regional cooperation for mutual benefit. I would like to reaffirm our wholehearted support and cooperation to our SAARC partners so that we succeed in our efforts to translate ideals into meaningful cooperation on the ground. As India assumes the Chair of SAARC, we are determined to utilize the forthcoming year to implement and build on this successful Summit.

Question: Mr. Minister, I would just like to ask you, much has been spoken of terrorism and peace, what is the threat perception from LTTE for India at the moment and what steps have been taken post the Katunayake Air Base attack?

External Affairs Minister: In fact, we have already assured the Sri Lankan Government our full assistance if they ask for it. But, as we believe, to resolve the problem we must also engage in the peace process which was initiated, as military solution ultimately would not yield results. Therefore,

we have suggested that both sides should exercise restraint. The devolution mechanism which is contemplated and from which all-party representative Committee have made recommendations should be examined and be implemented within a time frame so that the legitimate aspirations of various ethnic groups find their reflection within the framework of Sri Lankan constitution while maintaining its territorial integrity.

Question: What is the threat perception to India from LTTE at the moment? What is our assessment of that?

External Affairs Minister: Look, threat perception of a country depends on various circumstances. Generally, I can point out that terrorism and terrorist activities are the biggest menace to world peace and tranquility, not merely to India but all over the world. But, apart from that, we shall have to ensure that peaceful, conducive atmosphere prevails and as far as possible, shall have to try to resolve these issues through dialogue, at the same time without letting (go of) administrative efforts.

Question: What gives you hope this time that the tall agenda that you have got in the Delhi Declaration will be implemented? We have had SAARC Summits each year. We have an agenda but half of the things are not implemented. So, what is different this time?

External Affairs Minister: Lot of differences in the sense, as I mentioned to you, we have signed two agreements. I have also indicated and Prime Minister in his concluding observations stated that we should expose important projects in collaboration with the international agencies in four crucial areas which will affect the livelihood of a large number of SAARC countries. They include flood control, energy, food and environment. There too we have indicated apart from the general declaration, it was decided in the Council of Ministers meeting that SAARC Development Fund would be operationalised at the shortest possible time and the Inter-Governmental Committee suggested to make their recommendations to the next meeting of the SAARC Ministerial Council which is likely to take place by the end of November. The short point which I am trying to drive is that on different projects we are identifying, the timeframe by which we can take the decisions.

Question: There were media reports about joint management of Kashmir. What is India's position?

External Affairs Minister: In fact, the news item which appeared in a section of the press, I checked up from Prime Minister H.E. Mr. Shaukat Aziz. He

mentioned that in response to a question in his press conference, he indicated that we are having discussions on all issues including Jammu and Kashmir and there has been good progress. He himself told me that he refused to give any details at what level what type of discussions are taking place. I think that is adequate to dispel any doubt or any question if anybody has.

Question: Sir, I wanted to ask you about the part of the Declaration which deals with terrorism. When one reads that, it essentially appears to be a reiteration that the countries have agreed to finally implement what they had agreed earlier. Would India have liked to see a stronger statement on counter terrorism, or at least something more concrete on counter terrorism? Are you a little disappointed that that has not happened?

External Affairs Minister: In fact, if you look at the Declaration, we have mentioned both in paragraphs 25 and 26, the position which has been reiterated by the leaders. In addition, we have the SAARC Convention on Terrorism. It has been pointed out and that too is reflected in the Declaration that various countries should work on having arrangements for mutual legal assistance in respect of the criminal activities. Once it is institutionalized within the legal framework, it would be possible to take appropriate measures against terrorist activities. You read these two paragraphs, it is quite strong.

Question: Mr. Mukherjee, what is your reaction to the Pakistani Prime Minister's assertion that Kashmir is the core issue and resolving outstanding disputes like that is a prerequisite for infusing new life into SAARC¹?

1. While addressing the opening session of the SAARC Summit on April 3 EAM said there was a direct link between security and development which required "us to resolve the differences and disputes within and between our countries through dialogue and compromise." He said there was a need to build mutual trust and confidence thereby removing the obstacles of the trust deficit that had hampered meaningful cooperation in the region. He went on to say that "we have remained mired in conflict management. The consequent drain on our energies has held us back from achieving the goals that we set for ourselves in the SAARC Charter." He separately conceded that Islamabad and New Delhi had managed to reduce some of the "trust deficit" between them, resulting in more interaction and movement of people and goods than five years ago. Mr. Aziz said dispute resolution was the cornerstone of the improvement in the relations. "If there is a will, we are capable of moving ahead," he said, citing the Irish peace process. He, however, refused to be drawn into the specifics of the "public and non-public" talks that were under way on Kashmir. He also sidestepped questions on whether he considered the dispute one of the "root causes" of terrorism in the subcontinent. "Deprivation in any form is one of the causes... but I would rather give a general answer since specifics are not appropriate at this stage," he said. While the root causes existed, terrorism also had to be dealt with as a security issue and all countries, including Pakistan and India, should work together.

External Affairs Minister: I think on several occasions Pakistani authorities have declared that Kashmir is the core issue. Therefore, to me it is nothing new. But, at the same time, we are having talks. Fourth round of Composite Dialogue has begun. Confidence-building measures including along LoC in Jammu & Kashmir have been taken. This is continuing for almost more than three years. Therefore, I am not very much perturbed over a particular expression through. But, I am a bit optimistic about the progress which we are having in our dialogue within the framework of Composite Dialogue on all issues including Jammu and Kashmir.

Question: Would you explain what do you mean by the Arbitration Council? What would it do if there are bilateral disputes? You already have institutions set up in Pakistan and India. So, what would it do? Would it resolve issues between like Bhutan and Pakistan, or what?

External Affairs Minister: You know, to deal with the business contracts there are domestic laws, municipal laws and international laws to implement it. Therefore, I do feel all the legal courses will be taken care of by it.

Question: Admission of Afghanistan in our fold, as you claim, is a historic event. But as you know well, the country has been marked for rehabilitation and reconstruction. How is SAARC going to help them and what is the timeframe?

External Affairs Minister: Inclusion of Afghanistan within the SAARC family will provide an opportunity to have connectivity through Afghanistan to Central Asia. So far as the reconstruction activities of Afghanistan are concerned, a number of countries including India are engaged or providing bilateral assistance, as you are aware of. Our commitment to the reconstruction activities in Afghanistan is about US \$ 750 million and more than US \$ 300 we have already spent. Many other countries are also engaged in it. I do feel that with the inclusion of Afghanistan within the SAARC family, many other countries may also show interest in building up their activities in Afghanistan.

Question: Yesterday the Prime Minister of Nepal had proposed to eradicate poverty by mutual cooperation. How is the SAARC leadership going to address this problem?

External Affairs Minister: The whole objective is to improve economic conditions and the specific proposal which we have indicated, the basic objective of creation of the SAARC Development Fund and specially the

present commitment of 300 million US dollars, is to ensure that poverty alleviation programmes could be identified and taken up immediately. In addition to that, all the core issues like food security, energy security, connectivity, water management, all ensure adopting the programmes for the overall economic development and poverty alleviation. But we are just not believing in the theory of trickling down. That is why through the window of SAARC Development Fund we want to confront the poverty alleviation programme with specific projects funded through this Fund.

Question: Indian Prime Minister has given duty-free entry to the least developed countries in SAARC and you already have a free trade area agreement with Sri Lanka. This means that India has free trade with five of the seven member states except for Pakistan. So, now it is only Pakistan which is not having free trade with India and apparently Pakistan has to make up its mind whether it wants to join SAFTA or having free trade with you or not, and Pakistan has already indicated its mind. My question is, how important is Pakistan for the success of SAFTA and for Indian trade? A related question, how actively Pakistan participated in the preparations of the Delhi Declaration? I asked that because you said it was the smoothest and least contentious Summit.

External Affairs Minister: As you know, so far as SAFTA is concerned, there is a paragraph in the Declaration itself and all the Heads of State and Government committed to operationalise SAFTA, the exact words used there are 'in letter and spirit'. Therefore, I do feel that an international arrangement, a regional arrangement agreed upon would be implemented. Secondly, as you know the practice, when we discuss and prepare a document, almost every sentence and every paragraph is debated in the Council of Ministers meeting, before that in the officers level meeting, and through this process it comes to the Heads of State and Government, and participation of every country at this stage takes place. Therefore, there is no question of not having participation by any country or anybody.

Question: Mr. Minister, since SAARC is talking about moving from confabulation to implementation and India has announced that it will liberalise its visas for SAARC countries in particular categories, can you tell us what liberalization of visas mean? Is there a timeframe to implement this visa? For instance, students from many countries in SAARC, especially Pakistan have difficulty in coming and studying in India. Is that finally going to be removed now, also because since we are going to have a South Asian University in place?

External Affairs Minister: There are two issues. The first issue is that certain liberalization process will be taken by India unilaterally in respect of the students, professionals, journalists, etc. In addition to that, we have also agreed that fifty journalists from each SAARC country will be given visa under the SAARC Visa Scheme and everything will be implemented. So far as unilateral decision of India is concerned, I do hope it will be possible to implement it shortly and under the SAARC visa system, we will be able to do as soon as we get the requests from the countries concerned.

Question: Prime Minister talked about connecting all the capitals. He was talking about open skies. We already have open sky with Sri Lanka. As you are aware, tourism creates maximum jobs. Prime Minister also talked about doubling tourism, intra-SAARC tourism. Could you just throw more light on it as to when it is going to happen, how it is going to be achieved?

External Affairs Minister: In fact, tourism is expanding and if we provide the facilities which are needed and make aggressive campaign, it would be possible to enhance the tourism and to reach the target. If you look at the trend of growth of tourism within the SAARC countries, it is expanding very fast. What is needed to be provided is the necessary infrastructural facilities which the tourists expect at the tourist spots and the connectivity. One instance I can give you. If we can connect all the SAARC capitals through air routes, naturally it would have larger impact than what we are having today. Visa liberalization is another incentive. In addition to that, every member state is building up their infrastructure and facilities to accommodate the tourists.

Question: This is a question regarding Point.22 - the Heads of State and Government have stressed the need to collectively overcome challenges of poverty, disease, natural disasters and terrorism. My question is, are they already of one mind, have they agreed on what should be the definition of terrorism and poverty?

External Affairs Minister: In fact, the various programmes which have been undertaken basically it is the objective which we are going to have already we have goals before us - Millennium Development Goals, SAARC Developmental Goals. In the developmental plans of the respective countries, where members of the SAARC countries will like to integrate these plans. In addition, as I mentioned through the projects specially directed to the poverty alleviation and social projects through the SAARC Development Fund, it can be operationalised faster. Different projects can also be operationalised through SAARC Development Fund. So, we are

emphasizing on operationalising it faster so that the benefit can be reached to the member countries.

Question: India has announced unilateral tariff reduction for SAARC LDCs. What will be its impact on Indian economy? On these LDCs, do you think it will be injurious to India's small-scale industry?

External Affairs Minister: I do not think (that) because we have done tariff reductions on several occasions on several items. At one point of time it was suggested that if you give duty concessions to Jamdani sarees from Bangladesh, our textile industry is going to be affected. But it has not affected because market is expanding so fast and consumption pattern is changing so fast. Therefore, if we reduce the tariff, there is no need to have any apprehension that because of the reduction of tariff, it is going to be flooded by imported goods. After all, market is competitive.

Question: I want to ask you about the meeting between the Prime Minister and Shaukat Aziz, Prime Minister of Pakistan. Did Mr. Shaukat Aziz say anything about the Kashmir issue? And also, was there any discussion on Siachen issue and what is India's response to both?

External Affairs Minister: In fact, when the two leaders discussed among themselves, they covered a large number of their bilateral relations. Not merely bilateral relations, they shared their perceptions about the regional and international issues also. So far as Kashmir is concerned, as I mentioned to you, we are having regular dialogue within the framework of the Composite Dialogue. This is the institutional arrangement continuing for quite some time. In respect of Siachen, Defence Secretary level talks are going to take place in a couple of days, I think on 6th or 7th of April it will take place and that will be the 11th round of the talks. So, talks are going on.

Thank you.



187A. Address by External Affairs Minister Pranab Mukherjee to the Conference of Parliamentarians from SAARC region on 'Evolving South Asian Fraternity'; Calls For Free Movement of People and Goods in the Region.

New Delhi, June 3, 2007.

It gives me immense pleasure to address the concluding session of the conference of parliamentarians from the SAARC region organized by South Asian Free Media Association (SAFMA) on 'South Asian Parliament: Evolving South Asian Fraternity'.

The choice of Shimla as the venue and the commemoration of 150 years of the 1st War of Independence at this conference, are strong reminders of South Asia's shared history, its common destiny and a future, which is interlinked.

At the moment of the birth of SAARC, Rajiv Gandhi drew attention to the relevance of our South Asian identity in these eloquent words: *"The South Asian region has been one of the great crucibles of human creativity. Here, an indigenous civilization, whose origins stretch back into an unfathomed antiquity, interacted with peoples and races who poured in from distant parts of the world. Out of the intermingling of their ideas, philosophies and ways of life grew the noble heritage to which each of our seven nations can lay claim."*

India is convinced that on the foundations of its civilisational and commercial interlinkages, South Asian countries can work together to emerge as a major powerhouse of economic creativity and enterprise.

After all, South Asia is home to 1.5 billion people representing 1/5th of world's humanity. Its rich cultural, natural and human resources make it one of the richest regions in the world. Today the countries of South Asia are on the threshold of a historical moment. Collectively, we stand a good chance of transforming the economic conditions of our people and in the development of human civilization in the 21st century. For the first time, in the last 350 years, the global economy is indicating a shift in its centre of gravity from the continents of Europe and North America to Asia. Asia's real income per capita has risen 7-fold between 1950 and 2005 and its share in world trade has more than doubled during 1970 and 2005. If countries of South Asia make a joint effort and use the complementarities of the region as a whole, they can use of this opportunity available to them at this juncture.

To reclaim its heritage and realise the full potential of South Asia, it is essential that existing barriers that restrict the movement of people, goods and investments within and across the region be dismantled. It is with this perspective that India has extended its hand of friendship and cooperation to all her neighbours and proactively addresses whatever differences there may be. It is again with this perspective that India participated in the 14th SAARC Summit.

The 14th SAARC Summit was a landmark Summit in many respects. The positive atmosphere, the spirit of cooperation and the forward looking Declaration adopted at the end of the Summit are a demonstration of the new, emerging South Asian fraternity. In terms of atmosphere, this was the smoothest, least contentious Summit ever. The constructive deliberations at various meetings of the Heads of State/Government, of the Council of Ministers and of Senior Officials and the high level presence of Observers from outside the region, including the expression of interest of others, are all testimony to the fact that this was recognized not just within the region, but also outside of it.

For the first time in its history, SAARC expanded its membership to welcome Afghanistan as its eighth member. Given Afghanistan's civilisational, historical and cultural ties with South Asia, its admission into SAARC was a natural development. We consider Afghanistan a valued member of the SAARC fraternity and the region's gateway to Central Asia and beyond.

The Summit underlined the collective vision of the leaders of SAARC countries of an interconnected South Asia where there was a free flow of people, goods, services and ideas. Under the overarching theme of connectivity, the Summit took some important decisions. An important decision in this respect was to extend the SAARC Regional Multimodal Transport Study to Afghanistan. It was recognized that South Asia should first be integrated within itself and then integrate further to the rest of the world. The SAARC countries also committed themselves to combat terrorism. The important decisions taken at the Summit will bring concrete and tangible benefits to the people of our region.

We are aware that as the present Chair of SAARC, India has an important responsibility. Let me share with you some of the steps that we intend to take in moving SAARC forward.

As the largest country in the region, India is ready to accept asymmetrical responsibilities, including opening up her markets to her South Asian

neighbours without insisting on reciprocity. During the Summit, Prime Minister announced duty free access to India's markets to the LDCs in SAARC from this year itself. India is committed to reducing the Sensitive Lists for the LDCs. Prime Minister has also announced unilateral liberalization of visas, particularly for students, teachers, professionals, journalists and patients from the region and called for doubling intra SAARC flow of tourists in the next 5 years.

It is our effort that, during our Chairmanship of SAARC, we carry forward the theme of connectivity to implement concrete projects and upgrade regional cooperation and integration. We would try to focus on improving regional connectivity through upgrading trade, transport and telecommunication links; address issues relating to trade facilitation such as harmonization of customs procedures and standards; increase understanding through greater people to people contact, particularly among the youth, the civil society, cultural personalities, academics and parliamentarians.

We have started work on the establishment of the South Asian University. We propose to set up a Project Office for the University in New Delhi and appoint an interim CEO assisted by a team of academics/experts from the region. It is our earnest hope that this University will advance a sense of South Asian community by bringing together future generations of students in the common pursuit of quality education and to prepare them for the challenges of the new millennium.

We realize that greater interaction particularly among the youth and the student community will contribute significantly in enhancing understanding. We intend to promote students and faculty exchange among the SAARC member countries both at school and college level.

India would also host the First SAARC Cultural Festival in November this year to bring together artists and cultural performances from the entire region to showcase the richness, the diversity and similarity of our culture. We are planning a series of events including cultural performances, seminars, workshops, exhibitions, film and food festivals.

The SAARC Museum of Textiles and Handicrafts would be inaugurated with its first exhibition entitled 'Textile Traditions of South Asia' at the end of the year. This exhibition will be held in the Crafts Museum at Pragati Maidan in New Delhi for three months. We propose to open a sales outlet of regional textiles and handicrafts on the sidelines of the exhibition. We

have joined hands with the Fashion Design Council of India to organize a SAARC Fashion Festival that will showcase the rich textile traditions of the SAARC countries and how are they being used in contemporary fashion. This will give a boost to our regions textiles and crafts industries.

The SAARC Food Bank would be developed as an exemplary model of regional cooperation to collectively meet our region's food shortages in times of emergencies and natural calamities. The First Meeting of the Governing Board of the SAARC Food Bank will meet to consider the terms and conditions of exchanging and assisting each other in times of natural calamities and food shortages.

The importance of addressing issues relating to the empowerment of women has been recognized in SAARC. India will host three important meetings to address the issue of home-based workers, micro-financing and the problems relating to trafficking in women and children.

We look at the SAARC process as a stimulus to strengthen cross-border economic linkages, through initiatives such as SAFTA and the SAARC Development Fund (SDF). In our view, these can create opportunities for exploiting synergies based on comparative advantages, increased intra-regional trade, investment in cross border infrastructure projects and coordinated programs to address challenges in governance, environment, social development and other fields that spill over national boundaries.

Today, we live in an increasingly interdependent world. Our collective endeavours can be more than the sum of our individual efforts. SAARC offers us the hope and the opportunity to fulfill this imperative of our times. The time has come for a new vision, a new commitment and a new sense of purpose in South Asia. It is now the collective responsibility of all the member countries to carry it forward towards purposeful cooperation. In achieving the objectives of SAARC, I would like to reaffirm India's firm political commitment to regional cooperation for mutual benefit.

Thank you.



187B. Agreement among the SAARC Countries for the establishment of a South Asian University.

New Delhi, April 4, 2007.

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising of the Islamic Republic of **Afghanistan**, the People's Republic of **Bangladesh**, the Kingdom of **Bhutan**, the Republic of **India**, the Republic of **Maldives**, **Nepal**, the Islamic Republic of **Pakistan** and the Democratic Socialist Republic of **Sri Lanka**;

Realizing the need to provide a forum where our academicians, scholars, researchers and gifted students can work together in the service of human advancement;

Desirous of establishing an institution that will advance a sense of South Asian community by bringing together the future generations of South Asians in a common pursuit of quality education and prepare them for the challenges of the time;

Recognizing the need to offer world-class education, comparable to the best universities in the world, and hoping to attract faculty and students of the same world-class caliber from the region and internationally;

Realizing the need to educate women and men, who - imbued with humane values, a commitment to social justice and fellow feelings, endowed with democratic ideals, a commitment to tolerance, multicultural and secular co-existence, and steeped with a critical and scientific outlook - will provide leadership not only in their own countries but throughout the region.

Have agreed as follows:

Article 1 Establishment of the South Asian University

1. There is hereby established an institution to be known as the South Asian University (hereinafter referred to as the "University"), which shall be a non-state, non-profit, self governing international educational institution with a regional focus for the purposes set forth in this agreement and shall have full academic freedom for the attainment of its objectives.
2. The main campus of the University shall be located in India.
3. The University shall have full legal Personality.

4. The legal capacity of the University shall, *inter alia*, include:
 - (a) The power to confer degrees, diplomas and certificates
 - (b) The capacity to contract;
 - (c) To sue and be sued in its name;
 - (d) To acquire, hold and dispose of properties;
 - (e) To establish campuses and centres in the region; and
 - (f) To make rules, regulations and bye laws for the operation of the University.

Article 2 **Objectives & Functions of the South Asian University**

The objectives and functions of the University shall, *inter alia*, include:

1. To create a world class institution of learning that will bring together the brightest and the most dedicated students from all countries of South Asia-irrespective of gender, caste, creed, disability, ethnicity or socio-economic background - to impart to them liberal and humane education and to give them the analytical tools needed for the pursuit of profession and inculcate in them the qualities of leadership.
2. To build a South Asian community of learning where every student will be able to develop her/his fullest intellectual potential and to create a South Asian community by strengthening regional consciousness;
3. To impart education towards capacity building of the South Asian nations in the domain of science, technology and other areas of higher learning vital for improving their quality of life;
4. To contribute to the promotion of regional peace and security by bringing together the future leaders of South Asia, and enhancing their understanding of each others' perspectives.
5. To foster in the students sound civic sense and to train them to become useful citizens of democratic societies;

Article 3 **Funding**

The University shall be a non-profit public-private partnership, which will seek support from each of the national governments of member states and

from other sources but will be autonomous and accountable to its board of trustees/governors.

Article 4 **The Fiscal Status**

1. The University and its campuses and centres shall be exempted, in the state where it is located, from paying and from collecting all direct and indirect forms of taxes and duties for the establishment and operations of the University.
2. The University shall enjoy treatment in relation to priorities, rates and charges for utilities that are not less favourable than that accorded to state owned enterprises and universities.
3. The University shall have the right to accept inter vivos as well as testamentary gifts, contributions, and donations in cash or in kind for the objectives of the University. All such gifts and donations from any legal or physical person are fully deductible without any limit against the income of such donor or contributor in the respective Founding States.
4. Taxation and social protection of the citizens of the Founding States employed by the University shall be regulated in accordance with the national legislation of the respective States. The employees of the University from countries other than the host country will be governed by the income tax laws of the home countries and will not be taxed as per the laws of the host country.

Article 5 **Governance Structure**

1. The University shall be governed by a Governing Board, composed of two members from each member state, and will be headed by a Chairperson. The Chairperson shall be elected from among the members of the Governing Board.
2. Each member of the Governing Board shall serve office for a fixed term of three years, and shall not hold office for more than two consecutive terms. The members shall be selected from amongst the distinguished persons from the region and shall be responsible for the overall policies and directions of the University. The powers and functions of the Chairperson of the Governing Board and the role of the Board shall be decided as per the rules and regulations of the University.

3. The University shall be headed by a President, appointed by the Governing Board. The appointment, tenure, powers and functions of the President shall be decided as per the rules and regulations of the University.
4. The President shall also be the Chief Executive Officer (CEO) and an ex-officio member of the Governing Board. The President as the CEO of the University, will report to the Board and hold office at the pleasure of the Board. He will be responsible for implementing the vision and the foundation statement of the University, ensuring the purposes and objectives of the University, upholding uniformly high academic standards, and fulfilling the policy directives of the Board of the University.
5. The President as the Chief Executive Officer of the University shall act under direction of the Governing Board. The President shall be assisted by an Executive Council. The President shall constitute the Academic Council, different committees and appoint the principal officers of the University as per the bye laws.

Article 6 Visa and Resident Permit

The Member States shall provide appropriate visas to the students, faculty and staff for travel in all the SAARC Member States and grant necessary resident permit for students, faculty and administrative staff to work in the University and its different campuses, centres and collaborative educational institutions.

Article 7 Recognition of the Degrees

This Agreement shall facilitate the mutual recognition of degrees and certificates awarded by the University in all the SAARC Member States at par with the degrees and certificates issued by their respective national universities/institutions.

Article 8 Amendment

This Agreement may be amended by consensus amongst the member states. Any member state proposing amendment(s) shall notify the other member states through SAARC Secretariat. Such amendment(s) shall

become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification by all member states.

Article 9
Entry into Force

This agreement shall enter into force on completion of formalities including ratification by all member states and upon issue of notification there of by the SAARC Secretariat.

Article 10
Depository

This Agreement shall be deposited with the Secretary General of SAARC.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective governments have signed this agreement on establishment of South Asian University.

DONE at New Delhi on this the Fourth Day of April, Two Thousand Seven in ten originals in English language.

Rangin Dadfar Spanta
Minister of Foreign Affairs
The Islamic Republic of Afghanistan

Iftekhhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister) People's
Republic of Bangladesh

Ugyen Tshering
Minister for Labour and
Human Resources
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Ahmed Shaheed
Minister of Foreign Affairs
Republic of Maldives

Sahana Pradhan
Minister of Foreign Affairs of Nepal

Khurshid M. Kasuri
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitna Bogollagama
Minister of Foreign Affairs
Democratic Socialist
Republic of Sri Lanka



188. Press Release of the Ministry of External Affairs on the First Meeting of the SAARC Transport Ministers.**New Delhi, August 31, 2007.**

The first Meeting of the SAARC Transport ministers was hosted by India on August 31, 2007 in New Delhi. This Meeting was preceded by the 2nd Meeting of the Technical Committee on Transport (August 29, 2007) and 2nd Meeting of the Intergovernmental Group on Transport (August 30, 2007).

2. The Meeting deliberated on the Report of the SAARC Regional Multimodal Transport Study prepared and funded by Asian Development Bank (ADB) and recommended extending the SAARC Regional Multimodal Transport Study (SRMTS) to include Afghanistan.
3. In keeping with the spirit of the decisions taken at the 14th SAARC Summit to move SAARC from the declaratory to the implementation stage, the Ministers had constructive and focused deliberations. The following pilot sub-regional and regional projects were recommended by Bhutan, India and Sri Lanka for consideration of the SAARC Member States:

Bhutan:

- i. Linkage from Phuntsholing to Hashimara
- ii. Procurement of customs related equipment for faster clearance of cargo.

India:

- i. Birgunj-Kaatihar-Singhabad-Rohanpur-Chittagong with links to Jogbani, Biratnagar and Agartala
- ii. Kathmandu-Birgunj-Kolkata/Haldia
- iii. Agartala-Akhaura-Chittagong
- iv. Air-connectivities: Malé-New Delhi and Islamabad-New Delhi

Sri Lanka:

- i. Rail Corridor No. 5 between Colombo and Chennai

- ii. Ferry Service between Colombo and Cochin
 - iii. Colombo and Tuticorin as two pilot projects
4. Member States would be examining the viability/desirability of these projects for reporting to the Third Meeting of the Inter-Governmental Group on Transport scheduled to be held in Sri Lanka in second week of March 2008.
 5. The Member States examined the preliminary technical inputs provided by the Asian Development Bank and the alternate draft motor Vehicles Agreement proposed by India. The SAARC Secretariat would prepare the final draft after consolidating all Member States views on it.
 6. A presentation on Postal Connectivity by India was appreciated by Member States.



189. Speech by External Affairs Minister Pranab Mukherjee at National Seminar “SAARC: Accelerating Cooperation through Connectivity” organised by Ministry of External Affairs -Federation of Indian Chambers of Commerce and Industry-Research and Information System (RIS)-Global India Foundation (GIF).

New Delhi, September 1, 2007.

Distinguished Speakers, Ladies and Gentlemen,

I am delighted to be present here today to inaugurate this National Seminar on SAARC. The initiative taken by the Public Diplomacy Division and the SAARC Division of MEA is in keeping with the mandate that was given to the Public Diplomacy Division¹ to find

1. Ever since its creation in April 2006, the Public Diplomacy Division of MEA has been in contact with researchers, think tanks, academia, civil society and industry, both within India and abroad, to highlight the contours of Indian foreign policy, as well as initiate debate and discussion within the wider public about the key foreign policy issues confronting India. It is in furtherance of these objectives that the Public Diplomacy Division organized this seminar to discuss the opportunities and challenges to accelerating cooperation within SAARC.

multiple ways and means of informing the public about our foreign policy initiatives and more importantly to hear their views. It gives me great pleasure to see that this conference has been organised in partnership with FICCI which is the Indian Chapter of the SAARC Chamber of Commerce and Industry, the RIS which is a premier think-tank and the Global India Foundation which is the local partner in Kolkata. I was also particularly keen that our dialogue with civil society should not be restricted to Delhi. In the last few months, such interactions have been organised in Shillong and now in Kolkata. Over the next few months, meetings are planned in Srinagar, Guwahati, Pune, Nagpur, Mumbai, Thiruvananthapuram and Chandigarh. These kind of extensive outreach activities are the rationale behind the creation of the Public Diplomacy Division.

2. Today's conference is focussed on SAARC and how greater connectivity would give impetus to regional cooperation. As the current Chair of SAARC, I feel the role we can play in regional cooperation will only be strengthened if there is acceptance among our people of the benefits that accrue from such cooperation. At times, there is reticence among certain sections in society because of perceived challenges. I think it is important to identify these challenges and to sit across the table and frankly and candidly discuss how such challenges can be overcome. What I would, however, like to tell all my friends here, who represent so many partner institutions, is that protectionism as a buffer against regional cooperation is neither a credible nor a legitimate strategy. After all, let us recognise realities: India is the only country which shares a geographical border with the majority of SAARC nations. Can we, then, think of protectionism as a strategy to safeguard against competition? I do not think so. I believe that geography and the unique shared values of the South Asian region should be the building blocks for regional cooperation.
3. The essential theme of the 14th SAARC Summit in New Delhi was Connectivity; physical connectivity, economic connectivity and people-to-people connectivity. I am happy to note that this conference will address each of these issues. I was going through the agenda and in the real business sessions which will start after this inaugural will focus on each of these items, and I am looking forward to the conclusions of today's business.
4. Before I discuss these specific issues and why Connectivity was

specifically identified as a theme, I think it is important to flag that India has always believed that if we are beset with the serious problems of inequality, hunger, poverty and the lack of development, these are also issues that should bring our governments together in the collective pursuit of regional cooperation as a means of addressing them. India has been a strong advocate of regional cooperation as the basis for development and the 14th SAARC Summit has placed important responsibilities on our shoulders, which we will discharge.

5. Physical connectivity makes it incumbent for us to find ways and means through which we are able to facilitate not only the movement of goods but also of people and services. This will act as a major stepping stone in the east for our Look East policy and in the west, to our links with Central Asia. Such physical connectivity will act as a gateway to invigorated economic activity. Trade and investment constitute a core fundamental, in my view, to enhanced relations between our countries. Industry and Commerce for mutual benefit will open up an entirely new dialogue avenue. We believe this is possible in South Asia. What we also believe is that if SAARC succeeds, South East Asia and Central Asia will open up to our economies at a faster pace.
6. The question that I am sure many will ask is whether SAARC will succeed. It was created over twenty years ago and if in this timeframe, the sceptics will ask, it has not been able to demonstrate any major tangible benefit, what does the future hold? I can only say that at a time of rapid economic globalisation and the integration of the national economies in the global economic system, coupled with the current stalemate in the WTO negotiations, there is no alternative to accelerated regional economic cooperation. The trend of discussions in the Doha Round seems to suggest that development is not a core concern of the developed countries. With the composition of SAARC, development is, in my view, our core concern. Growth for us is important. But growth without development is not our objective or end game. I believe that none of the SAARC countries would disagree with me on this. Common prosperity is indivisible and interdependent. I will request FICCI to take a serious look into this and to consult other chambers in particular, the small and medium enterprises who might feel threatened. We simply cannot, by virtue of our size, succumb to protectionism. Let us lead the way.

7. On people-to-people contact, I believe we have all made a positive beginning. A liberalised visa regime for students, teachers, professors, journalists and patients is to be introduced. A SAARC Cultural Festival will be held, which we are trying to organise keeping in mind the current likes and dislikes of today's youth. For example, the popular Saregama Music Award ceremony, is being tailor-made for SAARC participation. There will be a fashion show and a food festival to supplement these events. Student Exchange Programmes during this time will bring together schools and universities within SAARC on a common platform for exchange of ideas in education and greater understanding of each other's priorities. Most importantly, worth mentioning here is the decision to set up a SAARC University in India. This will be a unique centre of excellence where young minds from the region will be nurtured and encouraged to respond to the demands of globalisation and the opportunities of regional cooperation.
8. The theme of connectivity is, thus, critical to regional cooperation and dialogue. The Ministerial Meeting on Transport which concluded yesterday has identified a select list of road, rail and waterway corridors for facilitating travel of people and goods amongst the SAARC member states. To my mind, this is an important step forward. I look forward to the deliberations of the forthcoming meetings of the Finance Ministers, as well as of the Commerce Ministers to assess the progress on the negotiations of SAFTA. There will be a meeting of Home Ministers which would not only address regional security concerns, such as transnational crimes, terrorism, narcotics and psychotropic substances, but also look at measures on how national legislation and procedures may be harmonised for the benefit of victims of crime and human trafficking, and explore how they should be rehabilitated. Here I entirely agree with the observations of the Chief Minister of West Bengal that terrorism which is going to be the biggest menace and a stumbling block on the road of development should be treated fairly and squarely. Perhaps the time had come when the International Community, communities in the region as a whole will have to accept a policy of zero tolerance towards terrorism.
9. I believe that meetings of this nature would give us a clearer insight on how civil society sees the process of regional cooperation. Your views will assist us in our deliberations, both internally and with our SAARC partners. I would only urge that when you think and suggest, think of the bigger picture.

10. I thank you for your patience and take pleasure in inaugurating this important national conference.



190. Speech of Finance Minister P. Chidambaram at the second meeting of the Finance Ministers of the SAARC.

New Delhi, September 14, 2007.

The Hon'ble Ministers of the SAARC Member Countries reviewed the progress made in SAARC since the First Meeting of the SAARC Finance Ministers held in Islamabad in July 2006. The Hon'ble Ministers, in their country statements, informed the distinguished gathering about the domestic financial situation and the reforms being undertaken in their respective countries. They lauded the recent initiatives in SAARC including SAFTA, increasing harmonization of financial norms between Member States that have led to increase in the growth of the South Asian economies. In keeping with the spirit of the decisions taken at the 14th SAARC Summit to move SAARC from the declaratory to the implementation stage, the Ministers had constructive and focused deliberations identifying specific areas for cooperation in the field of finance.

All Member States agreed that early operationalization of SAARC Development Fund (SDF) should be expedited by an urgent finalization of its Agreement. This would accelerate the implementation of sub-regional projects identified under its Social Window. They approved the recommendation of the Finance Secretaries on identifying three areas namely Maternal and Child Health; Women's empowerment; and Capacity Building for enhancing the quality of education for project implementation under SDF. The Meeting recommended that the Sub-Group on Investment and Arbitration be directed to finalize the Agreement and submit it for the approval of the next session of the Standing Committee which will meet in December 2007. The Meeting directed the Inter-Governmental Group on Financial Issues to develop a roadmap for achieving the South Asian Economic Union in a phased and gradual manner.

In order to facilitate institutional cooperation aimed at development of Capital Markets in the region, the Meeting recommended Harmonization of Securities Market regulations; facilitation of cross-border transaction on the Capital Side; and Formal

Agreements among regulators and Ministries of Finance of SAARC Countries. The Meeting recommended the establishment of an Expert Group on Development of Capital Markets in South Asia.

On behalf of the Chair of SAARCFINANCE, Deputy Governor, Reserve Bank of India Shri Rakesh Mohan presented the report of the SAARC FINANCE for consideration of the Hon'ble Ministers. The SAARCFINANCE is a regional network of SAARC Central Bank Governors and Finance Secretaries that work towards harmonization of banking legislation and practices within the region and strive for higher monetary and exchange cooperation.

India, as a current Chairman of SAARC, took a lead role in offering training programmes for the SAARC countries and identifying new areas of cooperation like Financial Inclusion. India offered to provide relevant capacity building support for the development of Capital Markets in the region at the National Institute of Securities Market.

Maldives offered to host the Third Meeting of the SAARC Finance Ministers in Male in early 2009.

The heads of delegations who attended this conference were: 1. H.E. Dr. Anwar ul Haq Ahady, Minister of Finance, Islamic Republic of Afghanistan; 2. H.E. Dr. A.B. Mirza Azizul Islam, Hon'ble Adviser, Ministry of Finance & Planning, Government of the People's Republic of Bangladesh; 3. H.E. Lyonpo Leki Dorji, Minister for Information and Communications, Bhutan; 4. H.E. Mr. P. Chidambaram, Finance Minister, India; 5. H.E. Mr. Mohamed Ahmed, Financial Controller, Ministry of Finance, Maldives; 6. Hon. Dr. Ram Sharan Mahat, Minister of Finance, Nepal; 7. Dr. Salman Shah, Adviser to Prime Minister on Finance, Revenue, Economic Affairs and Statistics, Pakistan; 8. Hon. (Dr.) Sarath Amunugama, Minister of Enterprise Development and Investment Promotion, Sri Lanka; 9. H.E. Mr. Chenkyab Dorji, Secretary General, SAARC Secretariat.



191. Press Release of the Ministry of Finance on the Conference of the Finance Ministers of the SAARC countries.

New Delhi, September 15, 2007.

The Hon'ble Ministers of the SAARC Member Countries reviewed the progress made in SAARC since the First Meeting of the SAARC Finance Ministers held in Islamabad in July 2006. The Hon'ble Ministers, in their country statements, informed the distinguished gathering about the domestic financial situation and the reforms being undertaken in their respective countries. They lauded the recent initiatives in SAARC including SAFTA, increasing harmonization of financial norms between Member States that have led to increase in the growth of the South Asian economies. In keeping with the spirit of the decisions taken at the 14th SAARC Summit to move SAARC from the declaratory to the implementation stage, the Ministers had constructive and focused deliberations identifying specific areas for cooperation in the field of finance.

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192. Press Release issued by the Ministry of Home Affairs on the second meeting of the SAARC Home/Interior Ministers.

New Delhi, October 25, 2007

India hosted the Second SAARC Meeting of Ministers of Interior/Home here today under the Chairmanship of Union Home Minister Shri Shivraj V. Patil. Today's meeting was preceded by the meeting of the SAARC Interior/Home Secretaries yesterday and the meeting of the Police Chiefs on October 23. Afghanistan attended the meeting for the first time after its induction into SAARC.

The Home Ministers reiterated their commitment to the 14th SAARC Summit Declaration of moving from the declaratory to the implementation phase and reaffirmed their commitment to the need for a secure environment for facilitating economic growth, development and progress of the region. The Home Ministers also expressed satisfaction at the working of the institutional mechanisms within the ambit of the Home Ministries and urged enhanced coordination and networking among the police forces of the SAARC countries.

The meeting noted that terrorism remains a serious threat to sustainable peace and development in the SAARC region, and called upon the Member States to strengthen institutional mechanisms with the aim to facilitate closer co-operation and more frequent interaction and regular exchange of

information amongst the law enforcement agencies of the Member states to effectively combat the menace of terrorism and other related crimes such as drug trafficking money laundering, human trafficking, arms smuggling, counterfeit currency etc.

The meeting considered the recommendations made by the Secretaries in the 2nd SAARC meeting of Secretaries of Interior/Home held yesterday, which, in turn, had considered the recommendations made by the Police officials in the Sixth SAARC Conference on Cooperation in Police Matters held on 23.10.2007.

Considering the need for more frequent and higher level of interaction, the Ministers agreed that the SAARC Conference on Cooperation in Police Matters should be upgraded to the level of Police Chiefs and should be held bi-annually as against the present system of annual meetings. Pakistan has offered to host the next meeting at Islamabad in February 2008. The Ministers also agreed that the SAARC Terrorist Offences Monitoring Desk (STOMD) and the SAARC Drug Offences Monitoring Desk (SDOMD), located in Sri Lanka, need to be strengthened and operationally energized. The meeting noted the Indian offer to provide assistance in strengthening the infrastructure of these Desks. The implementation of the SAARC Regional Convention on Suppression of Terrorism and the Additional Protocol and SAARC Convention on Narcotic Drugs and Psychotropic substances was reviewed and progress appreciated, while reiterating the need for pro-active and sustained measures and mutual co-operation to combat these phenomena.

With regard to the proposed SAARC Convention on Mutual Legal Assistance in Criminal Matters, it was agreed that the process should be accelerated and Legal Advisers from SAARC countries should meet for the second time by April, 2008 to examine the draft of the Convention. Sri Lanka's offer to host this meeting in early 2008 was welcomed.

The Ministers also discussed the SAARC Visa Scheme. It was agreed to provide a special tenure-linked dispensation to the officials of the SAARC Secretariat. It was also agreed that retired Judges of Supreme Court/serving High Court Judges should be included in the Consolidated List of Entitled Persons.

Later today, the Interior/Home Ministers are scheduled to proceed for a Retreat at Agra where informal consultations will be held.



193. Message of Prime Minister Dr. Manmohan Singh on the 22nd Anniversary of the signing of the Charter establishing SAARC.

New Delhi, December 3, 2007.

It gives me great pleasure to extend greetings and felicitations to all fellow South Asians on the 22nd anniversary of the signing of the Charter establishing the South Asian Association for Regional Cooperation.

An integrated South Asia will bring great benefits to the people of the region. It was in recognition of this that the 14th SAARC Summit in New Delhi decided to emphasize the implementation of many important regional initiatives. The early ratification of SAFTA and the decisions to establish the SAARC Development Fund, a South Asian University, and the SAARC Food Bank are important steps in this direction, which we seek to actively promote.

It is my hope that SAARC will become, a shining example of regional cooperation and reflect the immense potential and shared heritage of the people of South Asia.

I would take this opportunity to reaffirm India's commitment to working with all SAARC member countries to realise the aspirations and goals that are enshrined in the SAARC Charter.



194. Media Briefing by Foreign Secretary Shivshankar Menon on the SAARC Council of Ministers meeting.

New Delhi, December 4, 2007.

Official Spokesperson: Ladies and Gentlemen, welcome to this briefing by the Foreign Secretary on the SAARC Ministerial Conference which has already started at the Programming Committee level before we go on to Foreign Secretaries' level tomorrow. May I request FS to say a few words and then we will take questions.

Foreign Secretary: Thank you Navtej. I thought we will brief you about the SAARC Council of Ministers which is going to take place on the 7th and 8th of December here in New Delhi. This is the inter-sessional Council of Ministers. As usual, it will be preceded by two days of the Standing Committee, on the 5th and 6th, where the Foreign Secretaries are present. Today and yesterday, the Programming Committee, which is at the DG level, the Joint Secretary level, has been preparing for the other two meetings.

This is the inter-sessional meeting which takes places between Summits. As you know, we normally do our Summits in the first quarter of the year. The last Summit, the Fourteenth Summit, was held in New Delhi in April. The inter-sessional Council of Ministers normally looks at implementation of the various decisions of the Summit; checks whether any adjustments or anything is due in what SAARC is doing and how implementation is going; sees what things we can push forward; and what we can hope to achieve at the next Summit. In that sense it is an important meeting because it is a chance for making sure that we are implementing something and also for course corrections, if necessary. It gives everybody an opportunity to look at the SAARC programme in considerable detail.

At the Fourteenth Summit, you would remember, there were three main things that we tried to achieve. We tried to move SAARC from a declaratory phase to an implementation phase. I see some of you smiling. You have heard that phrase before. But I think for the first time, may be to your surprise I hope, we have managed to achieve something. I will get into that. The other thing that I think we all felt very necessary was connectivity. You remember we spoke of connectivity not just physical - roads, railways and airlines - but also of connectivity of the mind, of people, of ideas and so on. The third thing was to put in place some of the institutions that this requires. We have made a beginning on the SAARC Development Fund but have

not quite completed that work. We were talking about a Bilateral Investment Protection and Promotion Agreement. We had actually signed the agreement on the South Asia University. We have signed the agreement on the Regional Food Bank which will make food grains stocks available to each other. We have several other ideas to provide the institutional framework in which we could do these things. What these meetings will do is really see how well we have done on all these fronts.

In terms of operationalising SAARC, there were two big ideas. One was at the retreat, you remember at the end PM has announced, the leaders had identified four areas where they thought we should do concrete regional or even sub-regional projects between two countries or three countries. They were food, water including flood control, energy and environment. In all four of these what we have done is we have talked to each other, we have established, we have we think the outlines of certain projects. For the first time we had also said we will go to multilateral agencies to help us to draw up the projects, to implement them, if necessary to provide funding as well. So, we have done that. We have some projects on the table - which we will now take to the Ministers, take to the Standing Committee - which we have developed, for either two countries, three countries, four countries or whoever is interested. We will take that.

We also have made considerable progress on some ideas that we have been talking about. On telemedicine, for instance, we have a project ready to go or most of the countries have identified the hospitals concerned. The infrastructure is in place and we have that ready to go. We will look at those projects as well.

In terms of connectivity, at the last Transport Ministers' meeting which was held from 29th to 31st of August in Delhi, we had identified a series of, in fact it is a fairly long list, specific linkages. You know, Phuntsholing to Hashimara, for instance in Bhutan, improving customs related equipment at some of visa and customs stations in SAARC countries, Birganj, Katihar, Chittagong links all the way across which would involve Nepal, India, Bangladesh, Kathmandu, Birganj, Haldia link. They are very concrete sort of specific proposals of what we need to do like air connectivity between Male- New Delhi and Islamabad-New Delhi none of which exists right now. There is a Rail Corridor between Colombo and Chennai which would involve some ferry, some transshipment and creating a Rail Corridor; and maybe even a ferry service between Cochin and Colombo, for instance. Very concrete specifics which we hope that once the Council can approve, they

will look at it, discuss it, see which ones they are comfortable with or we can move to implementation.

Thirdly, in the institutional side we will review how far we have got on the two agreements we have signed. I think they have been signed, ratified by some countries; we will encourage the others to. We will also report the progress we have made on the South Asia University because there is an Inter-governmental Steering Committee which has been meeting. There two Vice-Chancellors from each country on this Steering Committee. They have gone through a fairly detailed round of how they need to appoint a CEO, devise an academic plan for the University, devise a business plan also on how it will run. We as India are committed to providing land and the CEO. That Steering Committee has met twice and produced a report. So, we hope to do that.

On Food Bank also, we have done what we had to do. On the other two things which we thought would help us to implement many of these projects, the SAARC Development Fund, is very close to finalization. The Finance Ministers met here last month. We think we might even be able to do it this time around at the Council of Ministers, at least to freeze an agreed text if we can. We will try and do that. We will need a little more discussion among ourselves. The Investment Protection Agreement also is very close. I think we have discussed it at considerable length. I think we are now all comfortable with what we have. But we need to find the precise words to express what we think we all agreed, which we will do, we hope, in the next few days.

All in all it has not been a bad period for SAARC. In fact Secretary-General Lyonpo Chenkyab Dorji was saying that he cannot think of a time when SAARC has done as much in as little time. So, I think it has been a good period for SAARC, but let us see. At these meetings we will see what else we can do. There were some things in the declaration where, you remember it was supposed to adopt a village in each country and to see whether SAARC could then help to develop those. I think we are now moving towards the idea of actually adopting clusters of villages rather than just one model village. We hope that each of the countries has done some homework. We have talked about it and we hope that at this meeting we can maybe make some progress on that idea as well.

They have a busy agenda. As I keep saying, it is a very practical and concrete agenda. I think that is really what SAARC should be. So, when we said it is moving into a phase of implementation, we are maybe not self-satisfied because we always want more, at least we can say we have done a fair amount in this period.

The other big thing that you would remember that in the Declaration was the connectivity of the mind, of the ideas, people-to-people contacts. I think what we are trying to do during this year is to try and involve younger people, do much more student exchanges. Right now we have a student exchange programme where they are doing home stays, children from SAARC countries staying in other SAARC countries and spending an extended period in the school in the other country. In fact, they are doing it right now. I do not know if any of you saw the bands festival in Connaught Place. It is an attempt really to get younger people involved in SAARC so that it does not stay just a bureaucratic exercise with people like us sitting around the table and talking. I think there is some success in it. But let us see, we will look for new ideas when we have any other ideas.

There is a SAARC Food Festival this week by the way in Delhi for those of you who are interested. There will be a fashion festival, there is a folklore festival, textile festival. SAARC countries were our partner countries in the Trade Fair as well. There will be folklore festival as well. I think the idea is to get SAARC out among the people doing non-bureaucratic things. Let us see. I hope it works.

I will be happy to answer any questions.

Question: Is SAFTA being implemented?

Foreign Secretary: SAFTA is being implemented by those who want to, which is all of us, except Pakistan for India. We have implemented SAFTA for all the SAARC members.

Question: How many countries are sending their Foreign Ministers? I understand Pakistan is sending Mr. Inam ul Haque. But will it lessen its importance somewhat because he is caretaker Foreign Minister. What about bilateral meetings on the sidelines?

Foreign Secretary: I should have mentioned this actually. All the SAARC Foreign Ministers will be collectively calling on the Prime Minister on Saturday. Before that, during the Council of Ministers, it is customary for the Ministers to have bilateral meetings on the sidelines. Our Minister will be looking forward to meeting all his counterparts from other SAARC countries including the Foreign Minister of Pakistan. How much business they want to do, what they want to do, is what we have to leave to them to decide between themselves.

Question: What if we they not?

Foreign Secretary: As far as we are concerned, there will be a bilateral. The External Affairs Minister will have a bilateral with each of his counterparts. How much it will do, what they will achieve, let them meet and discuss. I am not going to sit here in judgment about how much capacity, power, what they are going to do and predict what is going to happen. I have said this before, I am not an astrologer.

Question: This bilateral is going to take place at a point of time when the Fourth Round of Composite Dialogue is over and the review meetings are remaining. Will the dates and schedules of the review meeting be decided?

Foreign Secretary: I will tell you the outcome of the meeting when it happens.

Question: Is there any agenda prepared for them?

Foreign Secretary: I think there is a normal review. They review the state of bilateral relations, what can be done to improve them, carry them forward and they discuss issues of common concern in the international arena.

Question: This is about Iran. Can I ask?

Foreign Secretary: Sure.

Question: There is a report early this morning saying that US intelligence agencies have found that Iran stopped its nuclear programme in 2003. What is your reaction to that?

Foreign Secretary: Like you, I have seen the report. I believe they have issued the National Intelligence Estimate; the last one was in 2005. I have just seen the reports. We would like to look at the Estimate, study it and then we will give you a considered reaction.

Question: Do we have our intelligence assessment of Iran?

Foreign Secretary: We do our own assessment of what concerns us. But let me study what it says first. Because until I know what it says, I cannot tell you what we think of it.

Question: But what is our independent assessment of Iran's nuclear programme?

Foreign Secretary: I will tell you when we come to it.

Question: Talking about air connectivity, especially Islamabad-Delhi flight,

where are we at this point? On the targeting of the Indian community in Malaysia, how are we taking up this issue? Apparently this has been going on for many years. Were we aware of this or this kind of just erupted all of a sudden?

Question: If I can add my question on the situation in Malaysia, did we call in their envoy to the South Block and make him aware of our position?

Foreign Secretary: On air connectivity, for the Islamabad-Delhi flight we have agreed in principle that we would like such a flight. But I think both the airlines, the designated national carriers - which under the present agreement, are Indian Airlines and PIA - have said that they have capacity constraints; they do not have enough planes. We have been discussing, therefore, bilaterally with Pakistan whether we can designate private carriers or not. We have scheduled a round of civil aviation talks with Pakistan early next year where we will go over this. We will see what the possibilities are. But in principle both sides have agreed that we would like these flights to take place.

On the situation in Malaysia, I must make it clear that you have seen the levels of concern in India about the reactions among the Indian-origin community - these are Malaysian citizens - to their treatment. It was raised in Parliament. We have drawn the attention of the Malaysian authorities to the widespread concern in India. We have made it clear to them that this is something that naturally is a social concern. We have been assured by them, when we raised it with their Mission here, that they will do everything they can to deal with this issue which they regard as an internal issue of Malaysia.

Question: Was the Malaysian High Commissioner called in?

Foreign Secretary: There is no Malaysian High Commissioner here. There is an Acting High Commissioner. But we did talk to their Mission yesterday.

Question: ...*(Inaudible)*... ... suggested that ...*(Inaudible)*...

Foreign Secretary: I do not think so.

Question: A follow up on Malaysia. There is a report that the HINDRAF leaders will be in Delhi and there is a meeting scheduled for them?

Foreign Secretary: I have nothing more for you except what I told you.

Question: This is a SAARC-related question. During the regime of Ms Jayalalithaa, on the Rail Corridor between Chennai and Colombo she had

put her foot down on security reasons. Similar concerns were raised on the Kochi and Colombo connection as well. How is the present State Government placed? What is your sense? Are we at a security risk?

Foreign Secretary: First of all I said, we first have a Technical Study, which was also helped by the ADB, which identified a whole series of such projects not only the ones between India, Sri Lanka, but across the board. Then they came through the sieve of the Transport Ministers meeting where the Transport Ministers looked at what they thought was important to them from the point of view where is the traffic, what is important, what is feasible, what they think is worth doing. They have done that. Now, it will come to the Council of Ministers where we will see which ones we are comfortable with. The rest is an internal process. We as India will subject it to our own international examination. We will see. So, this is as true of the Cochin-Colombo ferry, it is as true as Phulbari or Darjeeling. It is true of any of these. It will go through a process of being examined by each Government. They will see whether they are comfortable with. These are the results of the technical exercise which has thrown them up. The answer to your question is we will go through the technical process as India, which includes everybody in India by the way including State Governments and whoever. We will go through the process of seeing what we are comfortable with, which we think have potential, which ones are useful for us; and we will discuss it with our partners and we will see.

Question: Has the question of security considerations been resolved?

Foreign Secretary: Security is one of the issues in any thing. Security is one issue, economic viability is another, need is another and there has to be mutuality of benefit in any such project. You cannot end up doing a project between three countries which only benefits one. There is a whole series of criteria and security is one always.

Question: You spoke about getting SAARC operational. You spoke about a whole lot of projects. Which out of these projects will be the first to see the light of day? Do you have any time-line for any of these projects?

Foreign Secretary: I think the telemedicine is ready to go right now because the infrastructure exists, the institutions have been identified and they have been in touch with each other. We think that we can get back and do it right away. But all of them are at various stages of realization. We would like to see as many as possible in as little time.

Question: What about the University project?

Foreign Secretary: The University is a bigger issue. Building of university is not an overnight job. Even if you do have set up the university, which I do not think is something you can do in six months or one year, to develop the whole culture of a good university will take time. The ambition, as you may remember, of the Summit was to build a world-class university. That is not something you do overnight or just by declaring it world-class. But it will happen. One of the aspects is to do an academic plan, somebody will also have to do the whole business plan of how it will run. The idea on the agreement was to have an autonomous institute which we would set on its own feet and also that there would be some public-private partnership in the establishment of this. That was the original idea, remember, when we talked about it in April. This has to be worked out and then ultimately the Inter-governmental Steering Committee, where all countries are represented, will have to find the best way. There are several plans on the table, several ideas.

Question: Just a clarification on the Malaysian issue. You spoke to the Acting Malaysian High Commissioner.

Foreign Secretary: Not me.

Question: The Ministry spoke to the Acting Malaysian High Commissioner. Was he called to South Block? Did the meeting happen in South Block? Also, when you said they said it is an internal problem, was that a response to your drawing attention to the widespread concern?

Question: I think that is something that we accept that it is an internal problem. It is not that we do not accept that. Yes, I think they had the conversation yesterday in South Block.

Question: ...*(inaudible)*...British Columbia is in town. I am just wondering if the issue of support to Khalistani extremists within Canada will be raised with him? Is that an issue of concern which we still talk about to the Canadians?

Foreign Secretary: There are extremist elements in most societies and especially in open democratic societies they find the space to operate. So, it is an issue that comes up in our conversations with Canada. But this is an issue where the authorities in both countries are on the same side. So, when we have something to do, something to deal with, yes, we mention it.

Question: Is it a concern?

Foreign Secretary: It has been a concern for some time but it is not as though it has certainly now become a concern or anything has increased recently.

Question: Reports coming out of Punjab police and IB, the Delhi blasts and Rahul Gandhi being on the hit list, etc., seem to suggest that there is a increase in terrorist activity. Is it reflected in the talks?

Foreign Secretary: I am not qualified to tell you whether criminal activity, terrorist activity is up or down. It is best to talk to those who actually know about these things. But as far as dealing with Canada, discussing this kind of activity with them, on counter terrorism we have a Joint Working Group with them. We discuss it with them. It is a regular feature of our conversations with the Canadian authorities.

Question: Is the Group working well?

Foreign Secretary: It works well.

Question: Is the problem to Delhi-Islamabad airlink only limited to shortage of planes or are there other reasons also?

Foreign Secretary: I can only tell you what they tell us. I am sure they will then study how much traffic there is, what the market is. But in principle the Governments have decided that all the capitals of SAARC countries should be linked by air. These are two of the links which do not exist – with the Maldives and with Islamabad, Pakistan – as far as we are concerned. Otherwise, we are connected to all the other SAARC capitals. But I can only tell you what the Airlines tell us that they do not have the aircraft right now, when they have new aircraft they hope to.

Question: What is the position in case of the Maldives?

Foreign Secretary: Right now we have connections through Trivandrum and Bangalore. But we have a decision in principle that we will open these direct routes between capitals.

Question: As a follow up, is the proposal of the private carriers coming up just from the Indian side or is the Pakistani side also interested?

Foreign Secretary: I think we have discussed it with Pakistan informally as well and they also seemed ready for that.

Question: Is there any plan to discuss common transport policy on the

lines of European Union? Will road connectivity to Nepal be finalized in this meeting?

Foreign Secretary: We have discussed a motor vehicles agreement for the region. In fact we had suggested that some time ago, there was a Technical Committee also. This is one of the ideas which were considered by the Transport Ministers. But it is not an idea that really has reached fruition yet. I think we still need a little time. It takes time, you know, for everybody to digest a new idea, look at it and see how it works for them. It will probably take a little time. But in the long run, yes, it is a goal that we will work towards. With Nepal, bilaterally we are working on road connectivity. Some of the things I mentioned under SAARC here, the ones I mentioned, are really trilateral. Most of them involve Nepal, India and Bangladesh.

Question: Yesterday the Navy Chief expressed concern about the delivery of the warship Gorshkov. While expressing his concern he had spoken to the extent of reviewing the relations with Russia. How much do you share with his ideas?

Foreign Secretary: I think you should ask him about what he says. As far as I am concerned, I am sure that we have excellent relations with Russia and any issues we have to discuss among ourselves I am sure we can settle happily.



195. Press Conference by External Affairs Minister Pranab Mukherjee after the 29th Council of SAARC Ministers Meeting.

New Delhi, December 7, 2007.

Official Spokesperson: Welcome to this Press Conference by hon'ble Minister of External Affairs. May I request the Minister to kindly make his opening remarks? And then we will take a few questions. We will be circulating the statement afterwards.

External Affairs Minister: Good evening ladies and gentlemen.

The 29th session of the Council of Ministers met in New Delhi on 7th December, 2007. All SAARC member states participated in these meetings. The Council of Ministers reviewed implementation of decisions taken at the 14th SAARC Summit in New Delhi in April, and took important decisions to move SAARC from declaratory phase into implementation mode.

The Council of Ministers decided that the SAARC Development Fund be operationalised immediately. A temporary cell is being established in the SAARC Secretariat for its operationalisation, and implementation of identified projects from available funds. Several projects identified by Ministerial and other meetings will be implemented now. These include social sector projects and physical connectivity projects. A list of some of these is being distributed to you

I particularly draw your attention to social projects which will now be implemented in all our countries. These include maternal and child health including immunization, empowerment of women and other disadvantaged sections of the society, and capacity-building aimed at enhancing the quality of education including teacher training. A project on telemedicine is also commencing implementation.

The Council of Ministers also considered economic issues. They agreed that the development of regional infrastructure for trade as part of overall regional connectivity in South Asia should be given priority.

The Council of Ministers also endorsed the SAARC Home Ministers' recommendations for a security network within SAARC. They directed that the draft Agreement on Mutual Legal Assistance in Criminal Matters be finalized as soon as possible. A meeting of Legal Advisors to attempt to finalise the agreement will be held in Sri Lanka in April 2008.

The Council of Ministers deeply appreciated the contribution of the present SAARC Secretary-General, His Excellency Mr. Chenkyab Dorji, and the excellent work done by him during his tenure. The Council of Ministers approved the appointment of the new SAARC Secretary-General, who will be Dr. Sheel Kant Sharma from India.

The meeting of the Council took place when the effect of climate change on our countries is increasingly evident. Our deep concern at this phenomenon which threatens our people's lives and livelihood, and our conviction of the need for a global response has been expressed in a Declaration by the Foreign Ministers of the SAARC countries which is being released today. This is a significant beginning of an important SAARC initiative.

Owing to domestic preoccupations in 2008, the Maldives will be hosting the SAARC Summit in 2009. Sri Lanka has kindly offered to host the Summit in 2008 to coincide with the 60th Anniversary of Sri Lanka's Independence. The Council welcomed the Sri Lankan offer.

The Council's meeting was accompanied by several popular and cultural events which you are aware of including a Fusion Bands Festival, a Food Festival, a Textile Museum and a Folklore Festival. The popular response and the friendly, productive and smooth conduct of the Council meeting underlines the deep reservoir of goodwill existing between the SAARC countries and people. This augurs well for our common future.

Thank you.

Question (Parul Malhotra): What is the corpus of this Development Fund? Could you give us a sense of the bilateral with the Pakistani Foreign Minister?

External Affairs Minister: It is expected that the Fund would be of US\$ 300 million. But India already committed earlier - before this Fund was conceptualized even - we wanted to offer about a US\$ 100 million for the social projects. It has been decided that the work will start from this Fund, and as and when the other commitments come the Fund will be developed.

On the bilateral with Pakistan, yes, we had some discussions with Pakistan Foreign Minister, His Excellency Inam ul Haq. He mainly briefed me about the latest situation prevailing there, and also explained the situation. Election will be held sometimes in January, as you are aware of. The mandate of the present Government is to carry on the election and to complete the election process as per their Constitution. As you are aware, the Fourth

Round of Composite Dialogue has been completed and only the remaining part is left, wrapping up at the level of the Foreign Secretary. Both sides expressed hope that immediately after the installation of the new Government, Foreign Secretaries will meet and complete the Fourth Round. Thereafter we will launch the Fifth Round of discussion. The other mechanism which has been established among our countries will also be put into operation. Because of certain circumstances prevailing there we could not carry on the normal work which we were carrying on earlier. Bilateral trade between our two countries is expanding. I think this year it will be around US\$ 1.6 billion dollars. Confidence building measures in various sectors are also being worked out. Joint Survey on the Sir Creek has already been completed. Both sides will resume their discussions as soon as possible. Therefore, both sides exchanged our ideas about this process and how to carry it on. Of course, we will have to wait till the regular Government takes place and comes in position in Pakistan.

Question (Seema Guha): Could you give us some details about the security network within SAARC?

External Affairs Minister: I have given one detail. First there will have to be exchange of information amongst the SAARC countries because a number of SAARC countries are the victims of terrorism. Therefore, hard, real time information exchange is an important aspect which we can take into account while taking appropriate steps against this type of terrorist activities. The second thing is that we should have Mutual Legal Assistance Agreement amongst the SAARC countries to tackle the criminals and to prevent the undesirable activities. In my statement I have already mentioned that some work has been progressed. The legal advisors will be meeting in Colombo to finalise the text of this agreement. Once this text is finalized it will be approved by the Council of Ministers, and then it will be appropriately signed and operationalised. Various other ideas are also coming. SAARC Home Ministers' meetings are taking place regularly. They are reviewing the security scenario of the SAARC member countries and that is also taken into account from time to time.

Question (Manish): Talking of this Legal Aid Agreement, last time when at the Summit level this issue figured first we believe there was some resistance from some countries like Pakistan and maybe Bangladesh. This time around what was your sense? Are they on board on this? Also, there are some anti-India operatives known to be working against India in Bangladesh, Pakistan and other countries. Will this Legal Aid Agreement

enable us to get them here to bring them to justice?

External Affairs Minister: It is not legal aid, it is Mutual Legal Assistance Agreement. In our deliberations there had been any discordant views because in the text of my statement I have specifically mentioned that we directed that this agreement is to be expedited so that we can operationalise it quickly. To finalise the text of the agreement the Legal Advisors of SAARC countries are expected to meet in April 2008 at Colombo, Sri Lanka. Thereafter the text will be available So, I do hope in the course of discussions various viewpoints will come and after discussions when we arrive at a conclusion we will go by that conclusion.

Question (Srinjoy): Sir, today the Government of Malaysia has said that people of Indian origin there have links with the Tamil tigers, the LTTE. Has this issue been taken up with Kuala Lumpur and also during our talks with the Srilankan authorities?

External Affairs Minister: I have not seen the text of the observations made by the Malaysian Government. But so far as the question of persons of Indian origin residing in Malaysia and the problems which arose and which figured in Indian Parliament is concerned, we have taken it up with Malaysian Government. In respect of any terrorist connection of any citizen of any country, it is the international convention that all countries take appropriate actions as per the legal provisions to which most of the countries are party to. I do not consider a terrorist should be identified with his country of origin. A terrorist is a terrorist, and a terrorist is nothing but a criminal against humanity.

Thank you.



INDIA-RUSSIA-CHINA TRILATERAL CONFERENCE

196. Briefing by Official Spokesperson Navtej Sarna and Indian Ambassador in China Mrs. Nirupama Rao on the Visit of the Chinese Foreign Minister at the Trilateral Meeting between India, Russia and China.

New Delhi, February 13, 2007.

Please See Document No 335.



197. Opening remarks by External Affairs Minister Pranab Mukherjee at the media interaction after the India-Russia-China Trilateral Foreign Ministers Meeting.

New Delhi, February 14, 2007.

The Sixth India-Russia-China Trilateral Foreign Ministers Meeting took place today in a very frank and cordial atmosphere. It was the second time that the three Foreign Ministers met exclusively for a trilateral meeting after the first one in Vladivostok in June 2005. In July 2006, Prime Minister Dr. Manmohan Singh, President of the Russian Federation H.E. Mr. Vladimir Putin and President of the People's Republic of China H.E. Mr. Hu Jintao met in St. Petersburg for the first summit level trilateral meeting. We will issue a Joint Communiqué which covers the nature of today's discussions and the shared views of the three countries.

We had very useful exchanges on future contacts and cooperation in the trilateral format. We agreed on the need to strengthen cooperation amongst the three countries. In particular,

- (a) India will host a trilateral business meeting with the participation of businessmen from the three countries later this year. The business meeting could consider specific initiatives in areas such as energy,

civil aviation, biotechnology, information technology, pharmaceuticals and financial services;

- (b) India has proposed that it would host a trilateral seminar on emerging geo-strategic trends with the participation of officials and scholars in 2007; and
- (c) We also discussed the formalities of expert-level discussions among the three countries on issues such as energy, bio-technology and public health.

We shared our thoughts on the political, economic and security aspects of the global situation, the present world order and recent developments in various areas of mutual concern. We agreed that cooperation rather than confrontation should govern approaches to regional and global affairs. We also agreed on the importance of the UN and that there was a need to make it more effective so that it reflects contemporary global realities. The three countries felt that their interaction would contribute to strengthening peace, security and stability in our region and the world. There was coincidence of views against terrorism in all its forms and manifestations and on the need to address financing of terrorism and its linkages with narco-trafficking.

We agreed to continue our interaction in the trilateral format in the future and the next trilateral Foreign Ministers meeting is to be hosted by China.



198. Joint Communiqué on the results of the Trilateral Meeting of the Foreign Ministers of India, Russia and China.

New Delhi, February 14, 2007.

A trilateral meeting of the Foreign Ministers of the Republic of India, the Russian Federation, and the People's Republic of China was held in New Delhi on February 14, 2007.

The Ministers noted that the mechanism of trilateral meetings is a manifestation of enhanced mutual understanding and trust among the three countries and positively assessed the outcome of their meetings. They agreed that the Summit level trilateral meeting held in St. Petersburg on July 17, 2006 on the sidelines of the G-8 Summit demonstrated the willingness of the three sides to carry forward consultations on issues of shared interest, at the highest political level, with the aim of promoting the development objectives of the three countries as well as peace, security and stability in the region and the world. They reaffirmed that trilateral cooperation was not directed against the interests of any other country and was, on the contrary, intended to promote international harmony and understanding and find common ground amidst divergent interests. They also emphasized the strong commitment of India, Russia and China to multilateral diplomacy.

The Ministers discussed the political, security and economic aspects of the current global situation, besides exchanging views on how international relations are being presently conducted. They noted that globalization opens up opportunities for a more even distribution of development resources and influence in the world thus creating a foundation for a more stable and balanced international system. They also emphasized the need to preserve the cultural and civilizational diversity of the contemporary world and to promote the existing initiatives for dialogue among civilizations and religions. They expressed their conviction that democratization of international relations is the key to building an increasingly multi-polar world order that would be based on principles of equality of nations - big or small, respect for sovereignty and territorial integrity of countries, international law and mutual respect. The Ministers acknowledged that the UN is an appropriate instrument for promoting and attaining such a world order. The Sides stressed the importance of reforms at the UN, including the UN Security Council, in order to deal with the myriad challenges of today's world more effectively. They shared the view that member states should aim to make

the UN more transparent, efficient and reflective of contemporary realities. The Sides agreed to take steps in this direction. In this context, the Foreign Ministers of Russia and China reiterated that their countries attach great importance to the status of India in international affairs, and understand and support India's aspirations to play a greater role in the United Nations.

The Ministers noted that international terrorism continued to pose a grave threat to all nations and expressed concern about the new and evolving forms of the menace. They agreed that under central and coordinating role of the UN and within the framework of its Global Counter-Terrorism Strategy collective action must be strengthened further by taking into account the mutating character of terrorism and its networks. They agreed that an early entry into force of International Convention for the Suppression of Acts of Nuclear Terrorism and the earliest possible adoption in the UN of the India-sponsored draft Comprehensive Convention on International Terrorism would lead to further consolidation of the international legal basis for combating terrorism. The Sides underlined the substantial potential of their counter-terrorism cooperation in regional organizations. They agreed that there can be no justification for any act of terrorism, irrespective of motivations, wherever and by whosoever committed. They stressed that selective approaches in counter-terrorism cannot yield sustainable results and it should be combated in a consistent, sustained and comprehensive manner without any double standards. The Sides also agreed to coordinate action against all factors that feed international terrorism, including its financing, illegal drug trafficking and trans-national organized crime.

The Ministers agreed that India, Russia and China, as countries with growing international influence, can make substantive positive contribution to global peace, security and stability. In this context, the Ministers exchanged views on various regional and international issues of concern. They agreed that cooperation rather than confrontation should govern approaches to regional and global affairs. While welcoming India's joining the Shanghai Cooperation Organization (SCO) as an observer country, the Foreign Ministers of Russia and China stated that they would actively facilitate early realization of mutually beneficial contribution of India to the SCO.

The Ministers paid specific attention to the high potential of trilateral cooperation and synergy in the economic field. The Ministers reiterated the considerable potential for mutually beneficial economic interaction among the three countries in areas such as energy, transport infrastructure, health, high technologies, including IT and biotechnology. Recognizing the

important role of the business and industrial circles of the three consistently growing and large economies, the Ministers agreed to advise their respective apex business bodies to organize a trilateral business forum taking into account the capabilities and potential of the three countries. The Ministers agreed to monitor this process with a view to facilitating the agreed business meeting which would take place during 2007. The Ministers expressed satisfaction at the results of the trilateral meeting in New Delhi and agreed to hold their next meeting in China.



199. Statement of External Affairs Minister Pranab Mukherjee on arrival in Harbin for the Trilateral Foreign Ministers meeting.**Harbin, October 23, 2007.**

I am glad to be in China once again. This is my first visit to the beautiful city of Harbin. It is my pleasure to be in a city famous not only for its ice-sculptures and unique architecture but also for its interesting history.

On 24 October 2007, we will have the third¹ stand-alone trilateral India- China-Russia Foreign Minister's meeting. I would also like to thank the Foreign Minister of China for taking the initiative to host this trilateral Foreign Ministers' meeting. It will be an opportune occasion to continue our talks and follow on the last meeting in New Delhi in February this year.

In a short span of time, our trilateral mechanisms have made significant progress starting from a forum for exchanging views to identifying concrete projects of cooperation. I am looking forward to meeting my Chinese and Russian counterparts to continue our discussions on trilateral cooperation in tomorrow's meeting.



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1. This will be the third stand-alone trilateral Foreign Ministers' meeting after the last one in New Delhi on 14 February 2007 and the first one in Vladivostok on 2 June 2005. The three Foreign Ministers have also met on the sidelines of multilateral forums in September 2002, September 2003, October 2004 and September 2005. En route to Harbin, External Affairs Minister Pranab Mukherjee said the trilateral meetings were useful as they gave the three countries an opportunity to discuss issues relating to peace and stability. "It creates better understanding among ourselves," he said, adding: "We want to benefit from our development experiences." Mr. Mukherjee said there were differences of perception on matters like the expansion of the United Nations Security Council, but the idea was to discuss these issues. Media quoted C.V. Ranganathan, co-chair of the India-China Eminent Persons Group, from Bangalore to say that the time had come for the three to move beyond the "declaratory stage" to fulfilling their intent through concrete cooperation projects. However, Ranganathan, the former Indian ambassador to China, said: "I do not, in any way, undervalue the importance of these meetings. They signal a certain common understanding of global issues." According to him, Mukherjee, Yang Jiechi and Sergei Lavrov could take up key questions like the stabilisation of Afghanistan and take a "certain view" on developments in Pakistan. The proposal of a "strategic triangle" between India, Russia and China was first forwarded by Russian Prime Minister Yevgeny Primakov in 1988 during a visit to New Delhi. In the Joint Declaration issued at the end of the Summit meeting between Russian President Putin and the Chinese President Hu Jintao in Beijing on March 21, 2006 a call was made by the two leaders to set up an institutional framework between China, Russia and India for trilateral cooperation. The Declaration said: "The side favour an early establishment of a mechanism of trilateral cooperation in the Russia-China-India format in the belief that this will contribute to a fuller realization of their potentials for economic development and will strengthen international efforts to stand up to new threats and challenges." During the visit of Chinese President Hu Jintao to Delhi in November 2006 the concept of trilateral cooperation found expression in the Joint Declaration issued on November 21, 2006. It said: "The two sides positively assess the trilateral dialogue mechanism among India, China and Russia and agree that exchange and cooperation under it should be further substantiated."

200. Opening Remarks by External Affairs Minister Pranab Mukherjee at the Joint Press Interaction after the Foreign Ministers' Trilateral meeting.

Harbin, October 24, 2007

Good evening,

We had a very useful interaction in continuation of discussion at the last Trilateral Foreign Minister meeting in New Delhi in February 2007. It was my privilege and pleasure to be in the company of my colleagues from Russia and China in this beautiful and impressive city of Harbin.

We exchanged views on regional and international issues and ways to broaden trilateral cooperation. The international community faces serious challenges such as regional conflicts, terrorism, narco-trafficking, under-development, poverty and climate change.

We believe that our trilateral dialogue mechanism improves mutual understanding and trust with regard to these common challenges and contributes to strengthening peace, security and stability in our region and the world. The Joint Communique outlines our shared views on specific issues. We have agreed to take our trilateral cooperation forward through various initiatives. India will be hosting a trilateral business forum on 15 December 2007 in New Delhi which will focus on sectors of common business interest.

The three countries also expect to hold discussions among their officials on cooperation in areas such as agriculture, disaster mitigation and public health. We have also agreed to hold a trilateral seminar on emerging geo-strategic trends with the participation of officials and scholars from the three countries in India in early 2008.

Our trilateral engagement holds considerable potential to help expand cooperation and improve mutual understanding.

Thank You,



201. Joint Communiqué issued after the meeting of the Foreign Ministers of the People's Republic of China, the Republic of India and the Russian Federation.

Harbin, October 24, 2007.

The Foreign Ministers of the People's Republic of China, Republic of India and the Russian Federation met in Harbin, China on 24 October 2007.

2. The three Foreign Ministers positively assessed the important role played by the Foreign Ministers' meeting mechanism in enhancing mutual trust and understanding and increasing trilateral exchanges and cooperation. They believe that trilateral cooperation has excellent prospects for development. They reaffirmed that trilateral cooperation is not targeted against any other country or organization and is intended to promote international harmony and mutual understanding and seeks to broaden common ground amidst divergent interests.
3. The three Foreign Ministers exchanged views on the international situation and reaffirmed that they would abide by the principles and purposes of the UN Charter and other accepted principles of international law. They further emphasized that they would continue to promote democratization of international relations and evolution of a more just and rational international order.
4. The three Foreign Ministers believe that the development of China, India and Russia is a major contribution to peace and development of the region and world and is beneficial to the process of global multipolarity. The three countries have chosen their respective development paths in accordance with their domestic situation and past experience and have contributed to the diversity of world civilization and world development patterns. With their continuous development and growing role in international affairs, China, India and Russia will further contribute to world peace, security, stability and prosperity.
5. The three Foreign Ministers believe that in order to safeguard the diversity of world civilization and increase mutual understanding, further steps to enhance multilateral cooperation in conducting dialogue among civilizations would be useful.

6. The three Foreign Ministers emphasized that globalization has brought about closer interrelation and interdependence among all nations, and that multilateralism and collective action should be promoted in addressing urgent issues and meeting new challenges and threats. Drawing lines on the ground of ideologies and values is inconsistent with the trends of the times and does not help solve various global issues facing the international community.
7. The three Foreign Ministers underlined that the United Nations is the most representative and authoritative international organization. In order to deal with various problems and challenges facing the international community more effectively, it is important to strengthen the role of the United Nations, improve its efficiency and conduct a comprehensive reform of the United Nations. The Foreign Ministers of China and Russia reiterated that their countries attach importance to the status of India in international affairs, and understand and support India's aspirations to play a greater role in the United Nations.
8. The three Foreign Ministers said that the three countries attach great importance to the issue of climate change and reiterated the principles and provisions of the UN Framework Convention on Climate Change and its Kyoto Protocol, including the principle of "Common but Differentiated Responsibilities". They stated their adherence to the Convention and its Kyoto Protocol as the major framework for tackling climate change, and agreed that the three countries will actively participate in the Conference of the Parties to the Convention and the Protocol to be held in Bali, Indonesia in December 2007. The three Foreign Ministers said that the three sides will enhance technical cooperation in implementing the Convention and its Kyoto Protocol, including adapting to climate change, increasing energy efficiency and develop renewable energy resources.
9. The three Foreign Ministers reiterated their strong condemnation of terrorism in all its forms and manifestations. No act of terrorism can be compartmentalized, and there can be no justification for terrorism on any grounds. It is imperative for the international community to come together to combat terrorism in a long-term, sustained and comprehensive manner. Collection action within the framework of the UN Global Counter Terrorism Strategy and under the central and coordinating role of the United Nations and its Security Council should be strengthened. Double standards should not be adopted. It

is imperative to finalize the draft UN Comprehensive Convention on International Terrorism urgently. The three sides agreed to further coordinate their action against all factors that feed international terrorism, including its financing, drug trafficking and trans-national organized crime.

10. The three Foreign Ministers had in-depth discussions on the Asian regional situation. They believe that peace, development and cooperation are the mainstream in the evolution of the Asian situation. Asia is one of the most vibrant regions enjoying the fastest economic growth in today's world. At the same time, Asia is also faced with pressing issues of imbalanced development and non-traditional security threats. The three Foreign Ministers stated that the three countries will enhance cooperation in all areas including coordination within the framework of regional organizations and dialogue mechanisms to the benefit of the people of Asia.
11. The three Foreign Ministers decided that there is the necessity to set up a consultation mechanism at the level of Director-General / Division Head between the three Foreign Ministries to strengthen trilateral coordination and cooperation on regional and international issues and to implement the agreements reached at the three Foreign Ministers' meetings.
12. The three Foreign Ministers discussed the process for launching cooperation in economic and cultural interactions. They felt that pragmatic cooperation in these areas has enormous potential and complementarity.
13. The three Foreign Ministers decided that working-level mechanisms of Division Head/Director-General should be established between Ministries of the three Governments looking after agriculture, disaster management, medicine and health to explore concrete ways and methods of cooperation for the development of agricultural resources, processing of agriculture produce, research and development, capacity-building and application of technology in disaster risk mitigation, exchange of information on the prevention and control of contagious diseases and in traditional medicine, etc.
14. The three Foreign Ministers stated that the three countries will encourage and promote entrepreneurs and regions to enhance contacts and launch cooperation among them and facilitate this

process. They expressed appreciation that the trilateral business forum will be held in New Delhi on 15 December 2007.

15. The three Foreign Ministers positively assessed the role of meetings among their scholars in promoting mutual understanding and cooperation among the three sides and expressed support for scholars of the three countries to further expand exchanges and cooperation in all forms. They noted India's offer to host a trilateral seminar on the evolution of geopolitical strategic trends with the participation of officials as well as scholars and agreed to hold it in 2008.
16. The three Foreign Ministers expressed satisfaction at the results of this round of meeting and decided to hold the next meeting in Russia.



INDIAN OCEAN RIM COUNTRIES

202. Statement by the Minister of State E. Ahamed at the 7th Meeting of the Council of Ministers of IOR-ARC.

Tehran, March 7, 2007.

Mr. Chairman Honourable Ministers Distinguished Delegates

Let me, at the outset, convey my warm appreciation to the Government and people of the Islamic Republic of Iran for the gracious hospitality extended to me and the members of my delegation and for the excellent arrangements made for our meeting here.

2. This is the second consecutive year that Tehran is hosting the Council of Ministers Meeting. We value the forum of IOR-ARC and attach importance to its potential. It is useful to have this opportunity to review developments since our meeting in February last year.
3. I would like to appreciate the efforts of South Africa in facilitating the meeting of the Working Group of Heads of IOR-ARC Missions in South Africa under the stewardship of the Deputy Minister of South Africa and Chairperson of the Committee of Senior Officials there. The Working Group has met twice last year and these meetings have been

found useful in follow-up and review of the projects. These meetings should continue to be held on regular basis. Their detailed consideration of activities will provide useful inputs and guidance to the functioning of our regional Association.

4. Our senior officials have had detailed deliberations over the past two days. They have, inter-alia, discussed administrative and budgetary concerns. The recommendations they have made for our consideration are practical and result oriented. We need our Secretariat to be assured of logistical and budgetary support so that we can demand commensurate results from it.
5. Mr. Chairman, in assessing the achievements of our organisation, we must also take into account the fact that we are a diverse group of countries, with different levels of economic development and also belonging at times to different regional groupings. However, it is the Indian Ocean, which sustains the maritime lifeline of over 50% of world trade that binds us together.
6. The year 2007 marks the first decade of IOR-ARC. As the economic grouping steps into its second decade of its existence, this is the opportune time to review IOR-ARC's achievements and devise strategies to carry forward our common vision of mutually beneficial cooperation. We should encourage and task the three working groups - the Academic Group, the Business Forum and the Working Group on Trade and Investment to come up with tangible proposals based on our complementarities and synergies.
7. As you all are aware, IOR "Chair" in Indian Ocean Studies is designed to play a catalytic role in fostering research in the fields of common interest to the IOR-ARC and to promote trade and investments in the region. India and Mauritius are in the process of reviving the "Chair" in the coming months.
8. I would like to suggest that we organise workshops on issues having direct relevance to our trade and industry sectors, and for developmental activities in our countries. There are many areas where we can benefit by sharing each others' developmental experiences, technologies, traditional knowledge or best practices. Some sectors that have a great deal of potential include technology cooperation in new and high technologies, shipping and maritime cooperation, tourism. Technology, including ICT, is an added

strength of regional countries, which could be a key to successful cooperation.

9. Disaster Mitigation and Management has emerged as a significant area of international cooperation. We are willing to share the experience that we have gained in mitigation of natural disasters. At the same time, we would be happy to learn from the experiences of other Member States. Towards this end, we had offered to host a meeting of experts on the technical aspects of a comprehensive disaster forecasting and mitigation system in the Indian Ocean. The Member countries are requested to provide information regarding their technical focal points. We would also be willing to provide opportunities for training and capacity building in the areas of prediction, modelling, forecasting and early warning of natural disasters.
10. Mr. Chairman, the Indian economy has made remarkable progress in recent years. This is attracting major global companies to invest in India, as well as utilize the country as a manufacturing and R&D hub. At the same time, the Indian private sector is also looking for investment opportunities overseas. My Government is ready to facilitate investments in IOR-ARC member states for mutual benefit. In this context, I may mention that a Buyer Seller Meet was held in Mumbai in November 2006, to enhance Agro Food Processing and Fisheries trade within the region.
11. I would like to take this opportunity to mention that India Trade Promotion Organisation (ITPO) has been successfully organizing India International Trade Fairs (IITF) annually in New Delhi for over two decades. This is India's most prestigious trade fair. A large number of companies from India and abroad participate in the Fair. We would like to invite the IOR ARC Member Countries to participate in a big way in the Trade Fair, to be held this year from November 14-27, 2007. An "IOR-ARC" Pavilion will be specially set up for this purpose. On this occasion, a sectoral seminar and a Buyer Seller Meet will also be held. I would strongly urge all Member Countries to encourage participation in the Trade Fair. In the spirit to promote participation by all IOR-ARC countries in the Trade Fair, we offer a 3 x 3 sq. mtr. stall free of cost to fellow developing countries, namely, Bangladesh, Madagascar, Mozambique, Tanzania and Yemen.
12. Mr. Chairman, you would agree with me that people-to- people interaction should play a pivotal role in making our grouping more

vibrant. We should think of initiating activities which can lead to a better visibility of our grouping in our own countries and beyond. In this context and also in view of the year 2007 being designated a 'Year of Tourism', we offer to host IOR-ARC Film Festival later this year. We would request all Member Countries to provide at least one film each for this purpose.

13. Various training programmes are organized by India under Indian Technical and Economic Cooperation programme popularly known as "ITEC". In this context, I am happy to announce that specialized courses could be organized under the umbrella of IOR-ARC Cooperation, in the fields of IT and E-government, entrepreneurship development, development of Small and Medium enterprises; rural electrification, pharmaceuticals and hydrology. To begin with, we offer under ITEC two specialized courses; (i) on IT and E-government; and (ii) Small and Medium Enterprises, and invite 2 participants from each Member Country for these courses..
14. Mr. Chairman, I am glad that educational exchanges amongst the IOR - ARC countries have made rapid strides in the recent years. On one hand, substantial Indian students are going for higher studies to Australia and Singapore, on other hand, we are recipient to a large number of students from Iran, UAE, Oman and Mauritius and Yemen, to mention a few. My Government will continue to facilitate and further strengthen these exchanges for greater people - to - people contacts in our region.
15. Before I conclude, let me express Mr. Chairman, my delegation's full support and our political commitment for the Indian Ocean Rim Association for Regional Cooperation for mutual benefit so that we succeed in our efforts to translate ideals into beneficial cooperation on the ground.

Thank you, Mr. Chairman.



MEKONG-GANGA COOPERATION

203. Report of the fifth ministerial meeting of the Mekong-Ganga cooperation.

Manila, August 1, 2007.

1. The Fifth Ministerial Meeting of the Mekong-Ganga Cooperation was held in Manila, Philippines, on 1 August 2007.
2. The Meeting was attended by H.E. Mr. Hor Namhong, Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation of the Kingdom of Cambodia, H.E. Mr. Pranab Mukherjee, Minister of External Affairs of the Republic of India, H.E. Dr Thongloun Sisoulith, Deputy Prime Minister and Foreign Minister of the Lao PDR, H.E. U Nyan Win, Minister for Foreign Affairs of the Union of Myanmar, H.E. Mr. Nitya Pibulsonggram, Minister of Foreign Affairs of Thailand, H.E. Mr. Le Cong Phung, First Vice Foreign Minister of Vietnam, and their respective delegations. The List of participants appears at Annexure-A
3. The Meeting was chaired by H.E. Mr. Pranab Mukherjee, Minister of External Affairs of the Republic of India. The leaders had a productive exchange of views on regional issues, as well as on issues of importance to the Mekong-Ganga co-operation.

AGENDA ITEM 1: ADOPTION OF AGENDA

4. The Meeting considered and adopted the Agenda, which appears as Annexure-B.

AGENDA ITEM 2: BUSINESS ARRANGEMENTS

5. The Chair announced the business arrangements for the meeting.

AGENDA ITEM 3: OPENING REMARKS BY CHAIR

The remarks are placed at Annexure-C.

AGENDA ITEM 4: OPENING REMARKS BY LEADERS OF OTHER DELEGATIONS

The remarks are at Annexure- D.

AGENDA ITEM 5: REVIEW OF THIRD MEETING OF MEKONG-GANGA CO-OPERATION IN VARIOUS SECTORS

6. The Meeting reaffirmed the importance of inter-linking MGC countries in four sectors, namely, tourism, culture, human resource development/education, and transport & communications, and emphasized the need for MGC projects to make timely progress. It was noted that MGC projects should be relevant to the needs of the people in the region.
7. The Meeting reviewed and discussed the progress made in the implementation of agreed projects since the Third Meeting of Mekong-Ganga Co-operation at Phnom Penh, Cambodia. It was noted that the progress has been modest. However, this is not because of any absence of political will. It was decided that MGC countries will work collectively for implementation of identified projects.
8. Lead countries in each of the four areas of cooperation reported on progress in their respective sectors.

Tourism

9. The Meeting welcomed India's offer to host a delegation comprising of 20 travel agents (4 each from every MGC member country) in India and organize interaction for them with the Indian travel agents and tour operators. The Meeting recommended that direct flights connecting all MGC countries would be a step forward to further promote trade and tourism in the region. In addition, the Meeting also agreed that in order to promote tourism cooperation in our region, air linkages between the World Heritage sites in MGC countries should be encouraged.
10. The Meeting expressed appreciation of Thailand for its offer to provide information on MGC Rate Hotels (3-stars hotels in MGC countries) in CD and directories formats, subject to member countries providing the relevant information. The Meeting also welcomed Thailand's offer to support the pilgrimage tourism as well as development of religious circuits for the promotion of tourism. The Meeting encouraged the member countries to explore the feasibility of the pilgrimage initiatives for their full participation. The Meeting took note of Thailand's proposal to host MGC tourism meeting at Working Group Level in January 2008.

Culture

11. The Meeting reviewed the progress made in the implementation of setting up of a Museum of Traditional Asian Textiles in Siem Reap, Cambodia. It was noted that Cambodia has provided one hectare of land at Siem Reap for the Museum site and India has provided funds for the architectural designs etc for the project. The first phase of the project has since been completed. However, the construction work is yet to start. The Meeting noted with appreciation the offers of Thailand and Lao PDR to provide weaving equipment, textile samples and expertise, at the Museum. It was decided to fix some time frame for completion of project and explore the possibility of financial sustainability of the project after completion of the construction work. The Meeting also explored the possibility of other member countries to extend assistance for the project and agreed that this project should be realized as early as possible.
12. The Meeting expressed appreciation of India's offer to host 100 Buddhist pilgrims from MGC countries, as announced at the last MGC Ministerial Meeting at Cebu in January 2007. The Meeting noted with satisfaction that this visit is being organized during September 2007.
13. The Meeting regarded the importance of the conservation of World Heritage sites and appreciated Thailand's offer to work with India in the renovation and restoration of cultural heritage sites in member countries within the MGC framework.

Transport & Communication

14. The Meeting agreed on the need for a comprehensive review of connectivity in the region, particularly the construction of a trilateral highway from Moreh in India, through Bagan in Myanmar, to Mae Sot in Thailand, and a feasibility study for a railway link between Delhi and Hanoi as well as the possibility to build the missing link between Loc Ninh and Phnom Penh.
15. The Meeting acknowledged the completion of the road connecting Myawaddy and Tenasserim Mountain Range, 18-kilometer in length, in June 2006. The road link is part of the construction of a trilateral highway which connects Moreh-Bagan-Mae Sot. The Meeting noted Thailand's initiative to incorporate the MGC transport and communication cooperation with other cooperative frameworks such

as ACMECS, GMS, etc. Thai side agreed to provide a transport cooperation proposal comprising all member countries of ACMECS, GMS and BIMSTEC as well as Malaysia and Singapore and welcome inputs in this regard from all MGC member countries.

Education

16. In the Meeting it was agreed to strengthen regional educational cooperation by tapping of the region's centers of excellence in education for this purpose.
17. The Meeting expressed appreciation to India's continued support for 50 MGC scholarships. However, it was noted that the utilization of these scholarships needs to be improved.
18. The Meeting also welcomed India's offer to organize educational fairs in MGC countries which would help in creating greater awareness about educational facilities available with India.
19. In this regard, the Meeting expressed the desirability of the scholarships offered being fully funded to the extent possible and in areas most needed by the countries utilizing these scholarships.

AGENDA ITEM 6: REVIEW OF THE HANOI PROGRAMME OF ACTION FOR MEKONG-GANGA COOPERATION

20. The Meeting reviewed and discussed the progress of implementation of the Hanoi Programme of Action for MGC and noted that the progress thus far was modest. The Meeting agreed that the existing projects proposed under the Hanoi Programme of Action should be implemented as per agreed time-frame.
21. The Meeting noted that the Hanoi Programme of Action (HPA) continues to be relevant and decided to extend it for another period of six years, i.e., August 2007 to July 2013. The Meeting reaffirmed that the implementation of the Phnom Penh Roadmap (PPR) would contribute to the realization of the Hanoi Programme of Action. The Meeting decided that a Working Group comprising of expert(s) from each member country will meet shortly to make the HPA/PPR action-bound and focused. This Working Group would also consider ways and means to mobilize financial resources to implement the HPA/PPR.
22. The Meeting agreed that in order to make progress, projects needed

to have clear timeframes, sources of funding, implementation mechanisms, and review mechanisms.

AGENDA ITEM 7: ANY OTHER BUSINESS

23. The Meeting agreed to consider the proposal made by the Lao PDR with regard to setting up of the virtual Secretariat of the MGC in New Delhi to facilitate better coordination and monitoring of projects implementation and for dissemination of information.

AGENDA ITEM 8: DATE AND VENUE OF THE SIXTH MINISTERIAL MEETING ON MGC

24. The Meeting agreed that the Sixth Meeting on MGC will be convened in (Kolkata, India) in 2008 under the chairmanship of India. The Meeting also agreed to India hosting the SOM meeting prior to the next MGC Ministerial Meeting.

AGENDA ITEM 9: ADOPTION OF REPORT

25. The Meeting adopted the Report
26. The Meeting expressed its appreciation to the Government of Philippines for the excellent arrangements made for the meeting. The Meeting also expressed appreciation of India for its hosting the meeting.

Annexure- A

PARTICIPANTS

Cambodia

1. H.E. Mr. Hor Namhong ***** Leader
Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation
2. H.E. Mr. Kao Kim Hourn, Secretary of State
Ministry of Foreign Affairs and International Cooperation
3. H.E. Mr. In May
Ambassador of Cambodia to the Philippines
4. H.E. Mrs. Tuot Panha ***** SOM Leader
Advisor to the Ministry of Foreign Affairs and International Cooperation

5. H.E. Mr. Kan Pharidh, Director General, ASEAN -Cambodia
Ministry of Foreign Affairs and International Cooperation
6. H.E. Mr. Luy David
Personal Assistant to the Deputy Prime Minister
Ministry of Foreign Affairs and International Cooperation
7. Mr. Ung Rachana
Assistant to the Deputy Prime Minister,
Ministry of Foreign Affairs and International Cooperation
8. Ms. Rath Many,
Deputy Director, Ministry of International Cooperation
9. Mr. Ros Bunthea, Official
General Department of ASEAN,
Ministry of Foreign Affairs and International Cooperation

India

1. H.E. Mr. Pranab Mukherjee, Minister for External Affairs.....Leader
2. H.E. Mr. N. Ravi, Secretary (East) **** SOM Leader
Ministry of External Affairs
3. H. E. Mr Rajeev Mitter
Ambassador of India to the Philippines
4. Mr. Biren Nanda, Joint Secretary (South)
Ministry of External Affairs
5. Mr. Sunil Jain, Joint Secretary (MER) Ministry of External Affairs
6. Mr. Vikram Misri, Director (EAMO)
Ministry of External Affairs
7. Mr. Pradeep Gupta, Officer on Special Duty (EAMO)
Ministry of External Affairs
8. Mr. Sandeep Chakravorty, OSD(PR)
Ministry of External Affairs
9. Mr. Tsewang Namgyal, Counsellor
Embassy of India, Manila, Philippines

Lao PDR

1. H.E. Dr. Thongloun Sisoulith *** Leader
Deputy Prime Minister & Foreign Minister

2. H.E. Mr. Leuane Sombounkhan, Ambassador of Lao PDR to Philippines
3. Mr. Khampho Khaykhamphithoune, Deputy Director-General, SOM Leader
4. Mr. Khamphan Anlavan, Deputy Director-General
5. Mr. Ekkaphab Phanthavong, Deputy Director of Division
6. Mr. Khamphone Vongsanty, Deputy Director of Division
7. Mr. Anouphap Vongnorkeo, Interpreter of the Deputy Prime Minister

Myanmar

1. H.E. U. Nyan Win, Leader
Minister for Foreign Affairs
2. H.E. U Thaung Tun
Ambassador of Myanmar to the Philippines
3. U. Hla Myint, Member/ Director-General SOM Leader
Training, Research and Foreign Languages Department
4. U Win Aung Member
Deputy Director
5. U Win Zaya Htun
Member, Assistant Director, Minister's Office, Ministry of Foreign Affairs
6. U Wai Yan Min Myint
Member, Branch Clerk, International Organization and Economic
Department, Ministry of Foreign Affairs
7. U Kyaw Soe Thein, Secretary Head of Branch -1
International Organization and Economic Department, Ministry of
Foreign Affairs

Thailand

1. H.E. Mr. Nitya Pibulsonggram **** Leader
Minister of Foreign Affairs
2. H.E. Mr. Pradap Pibulsonggram**** SOM Leader
Deputy Permanent Secretary Ministry of Foreign Affairs
3. Mr. Virachai Plasai, Director-General

Department of International Economic Affairs
Ministry of Foreign Affairs

4. Lieutenant Chombhala Chareonying, Director
Division of Economic Relations and Cooperation, Department of
International Economic Affairs, Ministry of Foreign Affairs
5. Ms. Nabhasporn Bhuttarichval
Counsellor
6. Ms. Surada Monatrakul
Third Secretary
7. Ms. Achara Chaiyasan, Attaché

Vietnam

1. H.E. Mr. Le Cong Phung **** Leader
First Vice Foreign Minister
2. Mr. Vu Xuan Truong
Ambassador of Vietnam to the Philippines
3. Mr. Vu Quang Minh**** SOM Leader
Deputy Director General,
Economic Department, Ministry of Foreign Affairs
4. Mr. Le Quang Vinh, Deputy Director General
Asia II Department, Ministry of Foreign Affairs
5. Mr. Nguyen Van Hoa
Deputy Director General, International Relation,
Department Office of Government
6. Mr. Nguyen Hoai Nam
Director Economic Cooperation Forum Division,
Economic Department, Ministry of Foreign Affairs

Annexure-B

AGENDA FOR THE FIFTH MINISTERIAL MEETING ON MGC MANILA, AUGUST 1, 2007

1. Adoption of Agenda
2. Business Arrangements
3. Opening Remarks by Chair

4. Opening Remarks by Leaders of other Delegations
5. Review of co-operation in various sectors:
 - a) Tourism
 - b) Culture
 - c) Education
 - d) Transport & Communication
6. Review of Hanoi Programme of Action
7. Any other business
8. Date/Venue of the 6th Ministerial Meeting on MGC
9. Adoption of Report

Annexure-C

Chair remarks by H.E. Mr. Pranab Mukherjee, Minister of External Affairs,

India It is my privilege and honour to welcome you all to the Fifth Ministerial Meeting of the Mekong-Ganga Cooperation. I also avail of this opportunity to thank our hosts, the Government of Philippines, for making arrangements for this meeting.

Our grouping signifies our desire to recapture the essence of historic ties and complementarities of a region which is the birth place of enduring civilizations, sustained and nurtured by two of the great river systems in the world. This is an effort to bring together geographically contiguous countries with shared historical and cultural traditions.

The Hanoi Programme of Action, which we would consider under agenda item 6, is an expression of our collective will to revive the centuries' old dynamic interaction in commerce and culture and also to revive our synergies which could be of common benefit to our peoples.

Distinguished Colleagues, we cannot shy away from the fact that progress so far has been rather limited. We need to revitalize collectively the implementation of the ideas mentioned in the Hanoi Programme of Action. I look forward to receiving your suggestions in this regard.

I have a suggestion regarding exchange of visits amongst travel agents of our countries. We can host a delegation comprising of 20 travel agents (4 each from every MGC member country) in India and organize a wholesome interaction for them with Indian travel agents and tour operators.

While accepting the chairmanship of the MGC at Cebu, the Philippines on 12 January 2007, India had offered to host 100 Buddhist pilgrims from MGC countries. I am happy to announce that we would be able to organize this visit in September.

India had in 2002 announced a contribution of US\$1 million for setting up an MGC Museum of Traditional Asian Textiles. Cambodia committed to provide a plot of land. Thailand had indicated that it would associate with the project by providing textile experts and material for display, including assistance and expertise for displaying the exhibits. I request the Leader of the Cambodia delegation to apprise us about the time-frame for completion of the project and the financial sustainability of the project after completion of the construction work.

India, Myanmar and Thailand had agreed in April 2002 to cooperate in the construction of a trilateral highway from Moreh in India, through Bagan in Myanmar, to Mae Sot in Thailand. The route alignment for the highway has, however, not yet been finalized. I seek the views of member countries about taking this idea forward.

India offered to conduct a feasibility study for a rail link between Delhi and Hanoi. As a first step, RITES was commissioned to carry out a feasibility study for an India-Myanmar rail link. The executive summary of this study which has since been conducted has been made available to all MGC member countries. I seek comments of my distinguished colleagues on how to take further this project.

India offers 10 scholarships to each of the MGC member countries, including international air fare (i.e. 50 scholarships on annual basis) for culture related studies in Indian universities. However, the record of utilization leaves scope for improvement. For instance, in the ongoing year, only 30 applications have been received, of which only 16 admissions have been confirmed. I request the Leaders of the delegations present here to inform their concerned authorities of this and impress upon them the need to make nominations in larger numbers so as to ensure fuller utilization of these scholarships.

India also proposes to organize educational fairs in all the ASEAN member

countries. This would cover all the MGC member countries as well. We hope that this endeavor would lead to greater awareness about the educational opportunities available in India and would help strengthen our educational ties.

The Hanoi Programme of Action adopted at the second MGC Ministerial Meeting held in Hanoi in July 2001. It provided for specific action to be taken by the MGC in four areas of cooperation i.e. tourism, culture, education and transport and communication. The Hanoi Programme of Action has a six year time-frame, covering the period from July 2001 to July 2007. It is a very comprehensive programme and its contents continue to be relevant.

We propose extension of the Hanoi Programme of Action for another six years i.e. from August 2007 to July 2013. Such a recommendation has also been made by the SOM to us. I seek your suggestions in this regard.

I seek the views of the member countries regarding the next MGC Ministerial Meeting.

We would be willing to host the Meeting in India, but would be willing to go along with the consensus in this matter. In our view, while meeting back-to-back with ASEAN/EAS events would be easier for us from the logistical point of view, we may consider a meeting for our Senior Officials prior to our next meeting.

Distinguished Colleagues, it is our endeavor to strengthen multi-faceted linkages amongst our countries. I also thank you for the confidence that you have reposed in India.

Annexure-D

Remarks by H.E. Deputy Prime Minister Hor Namhong Minister of Foreign Affairs & International Cooperation, Cambodia

I wish to recall that after the announcement of Mekong-Ganga Cooperation (MGC) initiatives by the foreign ministers of the six countries in Bangkok on July 28, 2000, we adopted the Vientiane Declaration on Mekong-Ganga Cooperation at the MGC Inaugural Ministerial Meeting in Vientiane in November 2000, which set out a vision for cooperation aimed at developing closer relations and better understanding among MGC member countries

by identifying four priority areas of cooperation, namely, tourism, culture, education and transport & communication.

At the Second Ministerial Meeting in Hanoi in July 2001, we adopted the Hanoi Programme of Action for MGC, which provided specific action to be taken in the said four priority areas to be carried out in the six year timeframe from July 2001 to July 2007.

To ensure the implementation of the Vientiane Declaration and the Hanoi Programme of Action, the 3rd MGC Ministerial Meeting held in June 2003 in Phnom Penh, adopted the Phnom Penh Road Map to implement concretely the 4 interested sectors.

On tourism cooperation, in the Roadmap, we agreed to develop a combined tourist destination linking more than one member country and to explore the possibility of relaxation of traffic rights and visa formalities.

I appreciate that during the ASEAN India- Summit meeting in Cebu in January 2007, Indian PM Manmohan Singh reiterated Indian willingness to engage ASEAN in a discussion on an open skies policy. I believe that direct flights connecting to all MGC member countries would be a step forward to promote cooperation in air service and linkages as well as tourism in the region.

On culture, Cambodia welcomed the commitment by India to offer fund for the establishment of MGC Museum of Traditional Asian Textile in Siem Reap, during the 1st ASEAN-India Summit in Phnom Penh in 2002 and at the 3rd MGC Ministerial Meeting in June 2003 in Phnom Penh.

After that, Cambodia has provided one hectare of land at Siem Reap for the museum site and India has provided funds for architectural designs. However, it seems that progress has been slow since then. I urge that the project should be realized as early as possible. At the same time we will consider how to explore the possibility of financial sustainability of the project after completion.

On education, at our MGC Ministerial Meeting in June 2003 in Phnom Penh, we concurred to increase MGC Scholarship in different disciplines; to train the trainers in IT and to create a MGC websites and information news letters.

In this regard, we are very much grateful to India for the scholarship provided to MGC member countries. However, it would be more

appropriate if India could also offer round trip airfares to the scholarship holders.

On Transport and communication, we agreed in the Roadmap to support the trilateral road linkages among India-Myanmar-Thailand and consider further expansion to other MGC member countries and to set up a team to study feasibility on rail linkage from New Delhi to Hanoi in Vietnam and the missing links.

For the rail link, I have learned that Vietnam in collaboration with China Railway Construction Corporation is planning to build Saigon-Loc Ninh rail link, designing to connect this point of Vietnam's border to Cambodian border in Kampong Cham province where the missing link to Phnom Penh still exists.

May be India could consider to contribute to the realization of this missing link in Cambodia in the framework of rail linkage from New Delhi to Hanoi.

By and large, I have noted that not many progresses had been made in the implementation of projects in the four areas of cooperation in the Phnom Penh Roadmap, due to lack of funding.

To revitalize our cooperation, I would propose the followings: First, as financial resource is the key factor to ensure the effective implementation of the projects, I am of the view that we should first of all work out during our present deliberation an efficient and concrete solution to this crucial problem. Second, as the Phnom Penh Road Map was formulated to ensure the implementation of Vientiane Declaration and the Hanoi Programme of Action, I suggest that the Phnom Penh Road Map should be reactivated to realize the Hanoi Programme of Action with a new extension period of 6 years timeframe (2007-2013).

In conclusion, I wish to reiterate that funding is a vital factor for MGC advancement, without financial resources we can never move forward. Therefore, we should think together now how we can find out a best way to solve this problem.

Remarks by H.E. Dr. Thongloun Sisoulith, Deputy Prime Minister, Minister of Foreign Affairs of the Lao PDR

It is a great honor for me to participate in the Fifth Mekong-Ganga

Cooperation Ministerial Meeting and I would like to take this opportunity to express our appreciation and sincere thanks to the Government of India for their effort and arrangement of this important meeting.

At the beginning of this year, we were very successful over the chairmanship of the Mekong-Ganga Cooperation from Thailand to India. I am confident that under your able chairmanship, India will play a significant role in leading us towards achieving the key objectives of our cooperation in an effective and fruitful manner.

Since the 3rd MGC Ministerial Meeting which has passed four years, we have made tremendous progress in our cooperation framework. However, there are some obstacles in front of us which should be removed by our member countries. In this regard, I would like to congratulate to the MGC Senior Officials for joining their efforts in reviewing the progress of implementation projects and proposing an appropriate mechanism to speed up our cooperation.

We have a very clear picture that the Hanoi Programme of Action is providing specific actions to be taken aiming at achieving our common goal as set forth the Vientiane Declaration. In addition, we also adopted the Phnom Penh Roadmap to ensure the successful implementation has been modest over the past six years. In order to speed up our cooperation framework to become more dynamic in the future, the coordination mechanism needs to be improved. In this connection, I would like to propose for setting up the MGC Virtual Secretariat in new Delhi to facilitate our better coordination with a new validation of the Hanoi Program of Action.

The Lao PDR, as the chairman of Transportation and Communications cooperation, will continue to work closely with MGC member countries to implement the priority projects productively. In this connection, I would like to draw our attention to continue the feasibility study on road connecting Myanmar to Hanoi (Vietnam) similar to the connection between India and Myanmar which has already been completed. The road connecting India to Vietnam through Lao PDR is a vital link promoting economic and trade exchanges in our region, as it will link two oceans' market with enormous population. At the same time, the air linkages between the world heritage sites in MGC countries should be encouraged in order to promote tourism.

Regarding the establishment of the Museum of Traditional Asian Textiles in Siem Reap, the Lao PDR would like to provide weaving equipment, textile samples and expertise to the Museum.

I am confident that our meeting today will generate positive outcomes which will help us to achieve the set-target of MGC framework.

I wish to conclude my remarks by conveying my best wishes to all of you for good health, happiness and success during your stay in Manila.

Remarks by H. E. U Nyan Win, Minister for Foreign Affairs of the Union of Myanmar

On behalf of the Myanmar Delegation and on my own, I would like to express my warmest thanks and appreciation to the Government of the Republic of the Philippines for the warm welcome and generous hospitality accorded to my delegation and for the excellent arrangements made for the successful holding of this important meeting in this beautiful city of Metro Manila.

At the last MGC meeting held back-to-back with the ASEAN Summit in Cebu at the beginning of this year, we were able to handover the Chairmanship of this august meeting from Thailand to India. In this respect, I wish to take this opportunity to express my gratitude to the Royal Thai Government for the smooth and excellent transition. I also like to extend our congratulations to India on its assumption of the chairmanship of the MGC. I firmly believe that under the able leadership of the Indian chairmanship, we will be able to make more progress in enhancing the existing cooperation among the MGC countries.

There has been a general perception that, despite seven years of efforts by MGC countries to move forward in areas designated for cooperation, there has been very slow progress. I do not believe that this is a result of lack of political will. Considering a long and rich historical, religious and cultural background embedded in the two civilization trails, we would be able to seek ways and means to identify the respective strengths and comparative advantages of each MGC country and to use these strengths more effectively to enhance our current cooperation. In this respect, I wish to stress that more coordination among the members is essential. There is an important role to play by the Chair. I am convinced that the Chair is well capable of providing the necessary leadership.

We have already identified four priority areas for cooperation namely tourism, culture, education and communications and transport. We also have the necessary frameworks for cooperation in the Hanoi Programme of Action and Phnom Penh Road Map. What we urgently need to exert effort is in regard to how we will effectively implement the projects we have already agreed to and decided on and also to identify what problems and

obstacles there are in the effective implementation of them. In my opinion if we really wish to move forward in our cooperative efforts we should first focus on the doable and in areas where MGC countries can participate in promptly and without much difficulty.

We fully realize the importance of tourism industry for the economy of MGC member countries. Myanmar has been striving to make this industry one of the major foreign-exchange earning industries. However, for various reasons we have not been able to make as much progress as we would like to. We therefore welcome any new ideas or initiatives that will promote this particular industry. It is heartening to note that there have been many new ideas on the table to promote this industry. We will fully cooperate with other members to realize these proposals as soon as possible. Proposals such as pilgrimage tours and visits of travel agents to MGC countries will much contribute to our efforts in this sector. Myanmar will coordinate with the Chair as well as with other members to follow up on these ideas.

In the Cultural sector, we have the Traditional Textile Museum to be established in Cambodia. We wish to express our deep appreciation for India's financial contribution and also for Cambodia's provision of one hectare of land at Siem Reap for the Museum site. We understand that it needs the full participation of MGC members to make this project a success. In fact this project has been, to say the least, the first historic project of our group and the success or failure this project will reflect positively or negatively on us. Myanmar will make every effort to participate in this project. We are encouraged that our senior officials were able to discuss the promotion of cultural heritage sites in the region and to explore valuable ideas in this respect. I would like to take this opportunity to express our appreciation for Thailand's offer for the renovation and restoration of culture heritage sites in the MGC member countries.

The development of education and human resources in our country are essential at this juncture in time. The Phnom Penh Road Map has laid down the promotion of closer interaction in the areas of distant education, information technology, education planning research and language training. We realize that there are many centres of excellence in education in MGC countries. It would be highly beneficial for us if we are able to take advantage of these opportunities in a manner that suits the needs of the country concerned. We are extremely encouraged that there have been many offers of scholarship from our fellow members. However, for various constraints we have not been able to utilize these opportunities. If the offers of

scholarship could be fully funded to the extent possible, we will be in a better position to utilize these offers. I hope that we can rely on the generosity of the country offering scholarship. I would like to take this opportunity to express Myanmar's interest in having fully funded scholarships in areas like information and technology.

We attach great importance to the trilateral highway between India, Myanmar and Thailand. We believe that this highway will not only enhance the trading and tourism industry but also will open new routes to the regions of South Asia and South East Asia including China. To enhance the connectivity in the region will certainly benefit the MGC countries and therefore we are ready to explore and identify ways and means to do that. We will carefully look at the current proposals that have been submitted.

Despite the political will and the firm commitment of MGC countries to make progress in this framework, there has been a consensus that we are making only modest progress. However, we are not discouraged by this state of affairs because we are fully aware of the potential of each and every member to make this MGC framework a success. With the existing Hanoi Programme of Action, which we still view as relevant and the Phnom Penh Road Map, I am convinced our able Chair will make every effort and take any initiative to move forward in our endeavours for the socio-economic development of our countries. Myanmar assure our fellow members of MGC that it will not relent in these joint efforts.

Remarks by H.E. Mr. Nitya Pibulsonggram Minister of Foreign Affairs of the Kingdom of Thailand

It is my pleasure to be here today and participate in the 5th Ministerial Meeting of Mekong-Ganga Cooperation (MGC), the first Ministerial Meeting under India's chairmanship.

Allow me to express my appreciation on behalf of the Thai Delegation, to the Delegation of India for exceptional arrangements without which this meeting would not have been possible. Rest assured, Mr. Chairman, of the full support of the delegation for the success of this meeting.

MGC is a forum for bilateral and multilateral cooperation linked by two of the great rivers in Asia, the Mekong and the Ganga. MGC provides a venue for us to maximize our vast economic potentials as well as create a bridge of economic and cultural cooperation among our peoples. We should draw

from the strength of our common cultural and historical heritage and translate into shared economic goals and interests. And from these shared goals and interests, we will seek to generate concrete benefits in areas of mutual interests for our people. It is imperative for MGC members and their peoples to recognize these similarities and view them as a means toward effective cross-cultural communication and cooperation in the Sub-region.

Since the inaugural MGC Ministerial Meeting in November 2000, four areas of cooperation have been identified; there are tourism, culture, education, and transportation communication. During the Second MGC Ministerial Meeting in July 2001, we have taken an important step forward by implementing these areas of cooperation through 'Hanoi Programme of Action' (HPA). This action plan provides guidelines for coordinated activities assigned to each MGC member.

Over the last six years, the HPA has endeavored to bring our peoples closer together by encouraging exchanges of specialized knowledge and personnel across MGC borders. Despite some obstacles along the way, the HPA remains essential for the success of MGC. Under the MGC framework, the Experts Working Groups have been developed in line with the four areas of cooperation in order to ensure its continuing dynamism.

Today, we are at the turning point of the MGC, the HPA expired yesterday, new commitments are therefore required to generate further progress. In order to sustain the momentum of the MGC, we should need to build on the results of the Hanoi Programme of Action based on the findings by the Experts Workings Groups on the effectiveness of HPA.

Thailand, as the lead country in tourism, is ready to coordinate the MGC's concerted effort in our tourism marketing campaign. Given the assistance and information provide by member countries, Thailand is pleased to provide advertising materials for MGC tourism promotion purposes. Over the years, Thailand has had an established record in launching many successful tourism campaigns. So let me state, here and now, that Thailand stands ready to share our experiences with fellow member MGC countries. To underline Thailand's commitment to the development under the MGC framework, Thailand plans to host an MGC tourism meeting at Working Group level in 2008.

I should like to take this opportunity highlight India's commendable leading role in moving the MGC cooperation activities forward. India's contribution is indeed indispensable for cooperation within the sub-region. Its economic

and cultural potential, I am confident, will continue to be the driving force for the MGC in the years to come.

I believe that the MGC has excellent prospects. The shared cultural and traditional values of our countries can surely enhance the mutual understanding and create greater solidarity among the Mekong-Ganga Sub-region.

It is time to renew our endeavors in advancing this cooperative framework. I am convinced that the political will of all MGC members will enable us to strengthen and achieve our shared vision-a vision of a sub-region of closer ties amongst its peoples, living in shared prosperity.

Thailand remains committed to this cooperative framework and intends to be a constructive player under MGC. I believe that our Sub-region's potentials could be reached in full. With our shared political will and close cooperation, we will indeed be successful.

Remarks by H.E. MR. LE CONG PHUNG, First Vice Foreign Minister of Vietnam

It is my great honor to attend the 5th Mekong- Ganga Cooperation Ministerial Meeting on behalf of H.E. Mr. Pham Gia Khiem, Deputy Prime Minister and Foreign Minister of Vietnam, who regrettably cannot be here today with us due to his engagement in the first important Session of the newly - elected National Assembly of Vietnam. Our Deputy Prime Minister and Foreign Minister would like to convey his best regards to the esteemed Foreign Ministers of the MGC countries.

We appreciate the efforts of India in hosting this important MGC Ministerial Meeting, which takes place in the context that the multi-faceted relations, particularly economic and trade relations among the MGC countries have been growing rapidly. These are important foundations on which the MGC countries will forward our cooperation along a more substantive and effective track.

We understand clearly that our meeting today, once again, not only affirms our strong determination to promote the cooperation among MGC countries, but also provides a practical platform for strengthening the ASEAN- India partnership. Vietnam fully supports India's chairmanship of the MGC and believes that in this important capacity and with a refreshed "Look East"

policy, India will further contribute actively and effectively to our fine cooperation.

As a nation in the Mekong basin enjoying close traditional relations with countries in the Ganga basin, Vietnam attaches great importance to MGC. Side by side with other MGC members, Vietnam will try her best to translate the Hanoi Program of Action into reality by implementing concrete cooperation projects. I am confident that with our joined efforts, the MGC will keep on going ahead and make effective and substantial progress in the interests of the MGC countries.

The Mekong and Ganga river basins are endowed with abundant potential for tourism development thanks to diversified ecological resources and distinctive cultures. There are many things we could do in this area. For example, we would appreciate India publishing and producing tourism promotion CD-ROM discs based on the MGC tourism festival directories compiled by Thailand as agreed in the Phnom Penh Road Map. We also propose the MGC countries to explore the possibility of setting up an MGC tourism website for joint promotion. Vietnam highly appreciates India's offer to host a travel agents' delegation from MGC countries to visit India and interact with Indian travel agencies to discuss cooperation activities.

In education sector, human resource development is a central factor in ensuring sustainable development and bridging the development gap. Vietnam once again would like to thank the Government of India for providing the MGC scholarship program. We are in high need of training in business and economic management and information technology (IT), and wish that India could extend more MGC scholarships in such training areas to Vietnam. Beside graduate and post - graduate scholarships, we also propose that the MGC countries explore the expansion of MGC scholarships to cover vocational training, with particular priority given to Cambodia, Laos and Myanmar.

We also support India's initiative to organize educational fairs in MGC countries. We would like to ask India to draft a concrete concept paper and work plan to circulate to member countries soon so that our respective agencies could begin the preparation for the fairs, perhaps sometime next year.

Regarding culture cooperation, Vietnam fully supports the establishment of the Traditional Textile Museum in Siem Riep, Cambodia with the aim at conserving and restoring traditional textile designs and products of the

MGC countries. Vietnam highly appreciates initial commitment of one million USD by India for the Museum and expects the construction work to be started soon.

We agree that it is necessary to ensure the financial sustainability of the Museum upon completion of the construction work and therefore we think a task-force should be formed to look into the matter and report to the next Ministerial Meeting.

We welcome India's new initiative of hosting 100 Buddhist pilgrims from MGC countries in the near future.

For transport and communication sectors, we appreciate the efforts of the MGC countries in completing the feasibility study of the New Delhi- Myanmar railways. To be sure, transport development requires a lot of capital, whereas our capacity remains limited. We propose the MGC working group to work out a plan with a specific road-map, in which flagship routes and viable solutions for capital mobilization be identified.

Beside roads and railways, Vietnam suggests exploring the possibility of opening new direct flights between the major economic centers in the MGC countries for better promoting tourism, trade and investment exchanges.

Till now, institutional frameworks for MGC have basically been established with objectives, principles and prioritized cooperation areas as set out in the Vientiane Declaration, the Hanoi Program of Action (HPA) and the Phnom Penh Road Map. However, due to various reasons, the MGC cooperation still falls short of bringing our potentials and advantages into tangible outcomes in response to our expectation. We have seen only a small number of projects under the MGC framework being implemented, whereas others are still in a stall-still mode. Thus, it is imperative for us to further substantiate our efforts individually and collectively to put the Hanoi Program of Actions into life. To this end, I fully share the recommendations and proposals made by Your Excellencies Foreign Ministers, in particular, India's suggestion to extend the Hanoi Program of Actions for another period of six years.

We would like to further propose the followings:

First, one of the biggest difficulties currently facing the MGC is the lack of financial resources for the implementation of concrete projects. Apart from taking advantage of outside assistance, it is needed to redouble efforts to make full use of our available internal resources. In this connection, I propose

to renew our commitment to the establishment of the MGC Fund as agreed in the Hanoi Program of Action. Vietnam highly appreciates the initial donation of 100,000 USD by India and expects India to substantiate its contribution and welcomes other MGC members to donate seed money to the MGC Fund.

Second, regarding institutional arrangement, our coordination mechanism has showed some shortcomings. For example, since the MGC chair country is not always the host of MGC Ministerial Meetings, there might be some difficulties in coordinating the arrangements for MGC Ministerial Meetings. Therefore, we propose that the chair country be also the host of MGC Ministerial Meetings and the chairmanship be rotated on the alphabetical order. In this connection, Vietnam fully supports India to continue her MGC chairmanship for the next year and believes that in this important capacity, India will further contribute effectively to our fine cooperation.

The constructive and frank discussions we had today at this important meeting, and great efforts by member countries, especially the renewed commitments and new initiatives put forward by India, give us hope and reasons to believe that together we would be able to move our cooperation forward to meet both our potentials and aspirations, in the interest of each and every nation in the region of the two great rivers - the birthplaces of many rich and proud cultures.



NAM

204. Statement by Minister of State E. Ahamed at the NAM Ministerial Meeting on Human Rights and Cultural Diversity.

Tehran, September 3, 2007.

H.E. Mr. M. Mottaki, Minister of Foreign Affairs of the Islamic Republic of Iran & Chairperson of the Meeting

H.E. Mr. Felipe Perez Roque, Minister of Foreign Affairs of Cuba, & Chairperson of NAM

Hon'ble Ministers, Excellencies, Ladies and Gentlemen

We feel honoured to have the opportunity to participate in this important NAM Ministerial Meeting, particularly as it is being held in this beautiful and historical city of Tehran. The presence of the Hon'ble President of Iran in our midst at the inaugural session this morning is a clear indication of the high importance that the Islamic Republic of Iran attaches to this historic event.

2. The relations between the two ancient civilizations of India and Iran are a living testimony to the relevance of an approach encompassing human rights and cultural diversity. We share deep civilizational ties and our historical links go back several millennia. A steady interaction between our societies based on mutual respect and tolerance has been an abiding feature of our relationship. The New Delhi Conference on "Dialogue Among Civilizations - Quest for New Perspectives" held in New Delhi in 2003 as a joint initiative of India and the Islamic Republic of Iran also recognized that the objective of any dialogue is to reinforce tolerance, solidarity, mutual understanding and respect, and to promote pluralism, democratic values and institutions. NAM must continue to reinforce that message.

Mr. Chairman,

3. As non-aligned countries, we have been in the forefront of blocking attempts to divide the world into ideologically irreconcilable blocs. We espoused peaceful co-existence and the higher cause of humanity beyond narrow divisions. Today, we again confront the

danger of a world being split along an artificially created cultural and religious divide, and the concomitant effect that it has had on the effective enjoyment of human rights. An appreciation of a culture of tolerance, respect for cultural diversity, and common understanding of the effective realization of all human rights for all, has become more compelling than ever before.

4. Globalization has made us all citizens of a global village. It has also made it even more essential that we show greater mutual understanding and tolerance of each other. We must also guard against a tendency to threaten diversity and unique cultural attainments as a result of globalization and technological change. Attempts to project racial or cultural superiority should be rejected outright.
5. Today the Non-Aligned Movement is once again uniquely placed with well over half of the membership of the United Nations to play the role of a bridge of understanding that promotes cultural diversity while ensuring respect for human values and dignity. The distinctive character of the Movement, encompassing every religion professed by mankind, every ethnic group and ideological persuasion, makes it an effective forum for addressing these challenges confronting us. Our cooperative world view is in itself a rejection of the notion of a "clash of civilizations". In the words of the Prime Minister of India, Hon'ble Dr. Manmohan Singh, "our message to the world should be that it is possible to work for a confluence of civilizations". At the heart of this message lies the need for greater respect for each others culture and values, while upholding the dignity of the individual and the rule of law.

Mr. Chairman,

6. Pandit Jawaharlal Nehru in his book "Discovery of India" wrote in 1945 that "it was India's way in the past to welcome and absorb other cultures". That is much more necessary today, for we march to the one world of tomorrow where national cultures will be intermingled with the international culture of the human race. We shall, therefore, seek wisdom and knowledge and friendship and comradeship. Thus, we shall remain true Indians and Asiatics, and become at the same time, good internationalists and world citizens. These words remain as valid and true today as they were more than 60 years ago.
7. In the South Asian region too we are making efforts to celebrate our common cultural heritage. India, as Chairperson of the South Asian Association for Regional Cooperation, along with the other members

of that Association, has taken several steps to promote people-to-people contacts and intercultural dialogue in the region.

8. At the World Summit of 2005 in New York, our leaders recognized the inter-linked and mutually reinforcing nature of human rights, development, and peace and security, as pillars of the United Nations system. They also committed us all to advancing human welfare, freedom and progress everywhere, as well as to encouraging tolerance, respect, dialogue and cooperation among different cultures, civilizations and peoples. The newly established Human Rights Council should now develop suitable frameworks to address challenges to cultural pluralism in the promotion and protection of human rights.

Mr. Chairman,

9. With the support of all the NAM countries, the UN General Assembly unanimously adopted in June this year a resolution under the agenda item "Culture of Peace", declaring Mahatma Gandhi's birthday, October 2, as the International Day of Non-Violence. The ideas and values espoused by Mahatma Gandhi remain as relevant today and show us the way forward to addressing contemporary world problems. Emphasizing and promoting the principle of non-violence contributes to the realisation of the 1999 UN Declaration and Programme of Action on a Culture of Peace.

Mr. Chairman,

10. I am happy that the draft Declaration to be adopted at the end of our meeting fully addresses the current challenges to cultural pluralism in a globalizing world, and also delineates responsibilities of various actors in charting an effective course to promote values and principles such as non-discrimination, democracy, justice and equality. It also recognizes the crucial role of education in fostering respect for both human rights and cultural diversity.
11. In conclusion, I would like to thank our hosts, the Government of the Islamic Republic of Iran, for the excellent arrangements made in organizing this meeting and for the traditionally warm hospitality that has been extended to us from the moment of our arrival here.

Thank you, Mr. Chairman.



G-77

205. Statement by Deputy Permanent Representative at the UN Ajai Malhotra at the 31st annual meeting of the Ministers of Foreign Affairs of the Group of 77.

New York, September 27, 2007.

Mr. Chairman,

At the outset I would like to congratulate Pakistan on the leadership it has provided to the Group of 77 since the beginning of 2007 and for promoting the Group's interests at UN fora.

I would also like to greet Antigua and Barbuda on its election as the Chairman of the Group of 77 for the year 2008. We wish Antigua and Barbuda a very productive tenure as our Chair and reiterate India's whole-hearted support to it in pursuit of our common goals and objectives.

Mr. Chairman,

At the Millennium Summit seven years ago, we set ourselves the target of achieving the Millennium Development Goals by 2015. We are at the half-way mark today. Yet, despite best efforts and notable successes, it is clear that many developing countries are unlikely to achieve the targets that were set. Full implementation of MDG 8 – the global partnership for development - remains an imperative in order to assist developing countries in their efforts to achieve the MDGs, and other internationally agreed development goals. To do so, the commitments made by developed countries regarding official development assistance, trade, technology transfer and enhanced market access must be fulfilled expeditiously. Unfortunately, this has not happened and the trend is now in the opposite direction.

We note with concern the drop in ODA that has taken place during 2006. Moreover, a substantial part of ODA is being channeled towards debt relief, with no additional or new resources being made available. Given that the process of debt relief has been largely completed for most donors, the prognosis remains grim for a future increase in aid so as to reach the targeted 0.7% of GNI. Moreover, there is an upward trend in overall resource transfer from developing to developed countries. Real and effective technology transfer needs to take place to developing countries, and it is time that the IPR regime looks at balancing the rewards for the innovator with the benefit to humankind. In this regard, we fully support the newly

strengthened Economic and Social Council playing its due role in promoting awareness and giving policy guidelines in the area of development cooperation, and to follow-up major UN Summits and Conferences.

In this context, the implementation of the outcomes of the Monterrey Conference, on creating an international economic environment conducive to development and ensuring that predictable and sufficient resources are made available to developing countries to pursue their development policies, remain a central objective. Unfortunately, progress remains limited. The recent crisis in the financial markets has demonstrated yet again the potential threat to the 'real' economy and, consequently, to development policies, posed by esoteric and speculative financial products, and the need for effective surveillance for such transactions through a financial system that has greater legitimacy than current structures.

At the same time, a comprehensive review of the international economic and financial architecture, so as to ensure a greater voice and increased participation by developing countries in decision-making and norm setting processes, continues to elude us. There is a need to redouble our efforts in order to achieve tangible progress in this area. We express our appreciation to the Government of Qatar for offering to host the Monterrey Review Conference in 2008, and we hope that it will provide an opportunity for a detailed review of progress made and enable us to chart the way ahead. We also look forward to the biennial High-level dialogue on Financing for Development to be held in October 2007 and the preparatory process for the Review Conference to provide useful inputs for it.

Mr. Chairman,

The Doha round of trade negotiations needs to ensure the primacy of the development dimension. Subsistence farming in developing countries cannot be compared with the enormously subsidized farming that takes place in developed countries. It is unfair to link progress on this issue with NAMA. It is important for developing countries to maintain flexibilities and preserve policy space particularly in the context of NAMA, in order to avoid the danger of deindustrialisation for some developing countries. The overarching principle of special and differential treatment remains a categorical imperative. We hope that our developed country partners show the necessary flexibility so that progress in the negotiations can be achieved.

The recent meetings in the UN General Assembly and other fora have served to highlight the urgent need to address the issue of global warming

and climate change. We look forward to the meetings of the UNFCCC in Bali later this year and hope that developed countries will commit to, and implement, sharper emission reduction targets for the post-2012 period under the Kyoto protocol. We also underline the need for additional financial resources, technology transfer, and capacity enhancement in developing countries in order to assist them in addressing climate change and related concerns. Sustainable development must be addressed in a holistic manner through its three pillars of economic development, social development, and environmental protection.

Mr. Chairman,

The need for solidarity among developing countries continues to be important. The singular success of this Group has been in its ability to project our common interests with one voice and the continued cohesiveness of the Group remains key to ensuring that the interests of developing countries are adequately protected and promoted. It gives me great satisfaction to note that even on areas where some of our members have somewhat varying concerns, the Group has been able to coalesce around common elements.

Our diverse membership in turn brings diverse concerns to the fore. However, we must be cognizant of the need to specifically address the concerns of the Least Developed Countries, the Landlocked Developing Countries, the Small Island Developing States, the African countries and others who need our support. In this regard, we also look forward to the Review Conference of the Almaty Programme of Action for Landlocked Developing Countries next year.

Mr. Chairman,

The Group of 77 has a special role to play in promoting the common interests of developing countries and in fostering South-South cooperation. India is already active in sharing its developmental experiences with several partner countries, as also its expertise in certain areas of capacity building and technology. India remains ready to expand such cooperation with our developing country partners in future as well. We believe that the Group of 77 has been a most valuable asset for the developing countries. We shall remain fully engaged in exploring cooperative solutions both among ourselves and with the wider international community. I would like to reiterate India's full support and involvement in this effort.

Thank you, Mr. Chairman.



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INDIA'S FOREIGN RELATIONS - 2007

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DOCUMENTS
PART – II

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Shri Navtej Singh Sarna

Joint Secretary (Public Diplomacy)

Shri Amit Dasgupta

(Note: Deployment of officers is as on 31st December 2007)

1. She succeeded Dr. APJ Abdul Kalam on July 25, 2007.

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INDIA'S FOREIGN RELATIONS - 2007

206. Speech by the External Affairs Minister Pranab Mukherjee at the International Seminar on "Economic Security for Peace and Development in South Asia" at the Institute of Defence Studies and Analysis.

New Delhi, 16 March, 2007.

I thank the Institute of Defense Studies and Analysis and the Indian Council for Research on International Economic Relations for organizing this Seminar on the important and relevant subject of "Economic Security for Peace and Development in South Asia". Coming as it does barely a fortnight before the opening of the 14th SAARC Summit in New Delhi, this Seminar could not have been timed better.

Mr. Chairman,

"The battle for peace has to be fought on two fronts. The first front is the security front, where victory spells freedom from fear. The second is the economic and social front, where victory means freedom from want. Only victory on both fronts can assure the world of an enduring peace."

These words, spoken by Edwin Stettinius, the US Secretary of State during the founding conference of the UN, remain as true today as they did when he uttered them in 1945.

South Asia is home to about 1.3 billion people, representing almost 1/5th of humanity. Through rich in cultural, natural and human resources, the region suffers from the problem of a large concentration of mass poverty. However, today, the countries of South Asia may also be on the threshold of a historic moment. It is up to them to recognize the potential for transforming their economic conditions and, together with other Asian countries, play a key role not only in the global economy but also in the development of human civilization in the 21st century. For the first time in the last 350 years, the global economy is undergoing a shift in its centre of gravity from the continents of Europe and North America to Asia. Asia's real income per capita rose seven fold between 1950 & 2005 and its share in world trade has more than doubled during 1970-2005. Globalization, while creating unprecedented opportunities for the progress and prosperity of all countries, has also brought new challenges for developing countries, including in South Asia. It is, therefore, imperative for the countries of this region to make joint efforts and make the best use of the complementarities of the region as a whole to avail of the positives of globalization.

Mr. Chairman,

India has long argued that if South Asia is to become a dynamic component of the larger processes of regional cooperation and globalization, it must achieve economic integration, first within itself and then with other regions that abut it. SAARC as an institution of cooperation in the region is thus significant and indispensable. Though its potential has been belied, the adoption of the South Asian Free Trade Agreement (SAFTA) and the reiteration by the leaders of the need to strengthen the institution, at the Dhaka summit held in 2005, has given a new hope.

For its part, India is firmly committed to the SAARC process. Our growing economy can create a ripple effect in the region and our neighbours can and should participate in this process with a view to sharing in economic progress and prosperity. While these are choices that individual countries will have to make, we firmly believe that closer economic and developmental cooperation offers immense benefits to all sides.

A case in point has been our contribution to the development of war torn Afghanistan with nearly US \$750 million of assistance to support economic rehabilitation and reconstruction. A sovereign, stable, democratic and prosperous Afghanistan is not only in our best interest but also essential for peace and stability in the region. Afghanistan's participation in SAARC will also strengthen the traditional and historical linkages between South and Central Asia.

Indo-Bhutan co-operation in the hydro-electric sector is another model of economic partnership in South Asia. It has been a win-win proposition, creating employment, economic opportunity and contributing to sustainable development.

Similarly, the Free Trade Agreement (FTA) with Sri Lanka, signed in 1998 and operationalised in 2000, has resulted in a phenomenal increase in trade between the two countries. We are now moving towards a Comprehensive Economic Partnership with Sri Lanka. Our other trade agreements in the region, for instance, with Nepal and Bhutan, operate on the principle of non-reciprocity. We are also ready to offer unilateral tariff concessions to Bangladesh.

Mr. Chairman,

Economic security in the South Asian region cannot be defined merely in terms of investments, energy security or greater flow of goods and services.

One must also examine the conditions for economic growth and development to maximize gains from trade and commerce for our people. Amongst these is our ability to tackle issues like terrorism, drug-trafficking, money laundering etc., which have assumed transnational dimensions. Countering them requires joint action through enhanced vigilance, information sharing, improvement of border infrastructure, capacity building and mutual legal assistance in criminal matters, besides extradition treaties.

International terrorism, particularly, can be dealt with much more effectively if nations cooperate honestly and transparently. Groups and individuals involved with organized crime and drug trafficking operate from both inside and outside the region. Often, they have linkages with terrorists groups and provide them with logistics support and funding. This relationship between organized crime and terrorism requires a thorough analysis to enable states to develop appropriate counter measures.

Counter terrorism was a major theme at the 13th SAARC Summit in Dhaka. There was strong condemnation of terrorism in the Summit Declaration and renewed commitment to eliminate this scourge, both from the region as well as from the world. There can be no double standards in tackling this collective challenge. The first meeting of SAARC Home Ministers, held in Dhaka on May 11, 2006, also called upon member states to provide enabling legislation for the Convention on Suppression of Terrorism. An effective implementation of this Convention and the Additional Protocol will help us to collectively tackle the problem of terrorism.

Mr. Chairman,

The establishment of adequate and efficient infrastructure is the key to economic development in the region and constitutes one of the foremost challenges before the South Asian states in achieving security and development. It is essential for all of us to create or upgrade infrastructure for world class connectivity, which would not only open us to each other but also to the world beyond.

For economic integration to succeed, such connectivity is essential. There are of course many forms of connectivity, but I would restrict myself to three. First is physical connectivity, through physical infrastructure in the areas of transport and energy; secondly, electronic connectivity; and, finally, knowledge connectivity.

At the Dhaka SAARC Summit, the Prime Minister of India, Dr. Manmohan Singh, had suggested that South Asian countries provide transit facilities

to each other on a reciprocal basis. India, which borders each of the member countries, is willing to do so. In this regard, India's proposal to hold the South Asian Car Rally in the run up to the next SAARC Summit is intended to draw attention to the need to improve SAARC transport infrastructure.

Related to this is the need to improve air connectivity between SAARC member States. The increased frequency of flights between India and Sri Lanka and the Maldives in recent times has led to a great increase in tourist flow. We believe that an Open Skies arrangement would benefit all of us in South Asia.

There is also need to improve rail and land connectivity in the region. There is a proposal for a land bridge to connect Rameshwaram in India with Talaimannar in Sri Lanka. In the area of virtual connectivity, an undersea optical fibre link has already been established between Tuticorin and Colombo. Within Sri Lanka, India is helping to refurbish the Colombo-Matra railway line under a US \$100 million credit line. We are keen on obtaining transit facilities through Bangladesh, which will give a further fillip to India-Bangladesh trade and provide India a shorter, more efficient route to our North East region.

I also want to emphasize here that, over the years, we have closely worked with our neighbours, for example Nepal and Bhutan, to ensure that our natural linkages are translated into meaningful and mutually beneficial economic, commercial and cultural ties. Important initiatives are already under way to strengthen infrastructure on our borders with these countries. These include setting up of modern integrated check-posts, cross-border rail-links, access to roads, air-connectivity, waterways and up-gradation of our border road infrastructure. Modernization of infrastructure and greater connectivity - in the broadest sense - will no doubt promote freer flow of goods and services.

Development of tourism, sports and cultural links should be another priority. These are areas which can give instant returns. If people of South Asia are allowed easy travel for short visits within the region and even if a small proportion of the population starts to travel among South Asian countries, we are talking about millions of people contributing to tourism. We are then talking serious figures for new economic activity in the region that would unleash not only a tourism boom but also a construction boom in the countries of South Asia with the need for new hotels, shopping malls, recreational facilities, and transport facilities. I feel that if we loosen up

now, within a few years regional tourism could be a huge industry, creating millions of new jobs in our countries.

Today's economies are dominated by the knowledge-based industry. If South Asian countries are to integrate themselves with the emerging Asian economies, then they have to achieve certain indices in human resource development and to keep abreast of cutting edge technologies and scientific research. The suggestion to set up a South Asian University that could provide world-class facilities and professional faculty to students and researchers from every member country will be a major contribution to realization of this goal over the next two to three years. Naturally, one of the key issues in the future would be to devise modalities for including services under SAFTA.

Mr Chairman,

Civil society, electronic and print media are important pillars of any democratic framework. It is heartening to note that we have in the region a very active civil society and an alert media. They have a vital role to play in connecting people and to disperse ideas in the region.

In our view, democratic institutions and a culture of democracy, coupled with an independent judiciary, a vibrant civil society and a free media, provide the most appropriate platform that would allow South Asian states to nurture the aspirations of their diverse communities in a pluralistic milieu. This would also ensure long term peace and security.

Mr. Chairman,

Other major challenges that South Asian countries will have to face in years ahead are food security, energy security, disaster management and public health. Prime Minister Dr. Manmohan Singh had put forward some suggestions to address these challenges. These included establishing a Regional Food Bank to be used to meet shortages and losses caused by natural calamities in any of the member countries, initiating a South Asian Energy Dialogue involving experts, academics, environmentalists, officials and NGOs, to recommend measures to tap and promote regional cooperation for energy security. Moreover, we hope that the SAARC Development Fund, to which India has offered to contribute US \$100 million, will help to address the problem of poverty alleviation and development in general. We also have to come up with practical, workable and affordable solutions to contain and handle the dangers posed by HIV/AIDS and Avian Flu, etc.

Mr. Chairman,

The stakes are indeed enormous for the citizens of South Asia. The peace dividend would run into billions of dollars, forever changing the lives of the citizens of South Asia. The goal of more than doubling the South Asian region's per capita income can be easily achieved in a conducive environment and with cooperative action. This would, however, require that the leadership of South Asia accept the challenge of propelling South Asia into the 21st century as the fastest growing region of the world. We have an opportunity to actually make this subcontinent achieve its potential. On its part, India stands ready to go the extra mile for a better future of the region.

Thank you.



207. Question in the Lok Sabha: "India's Financial Assistance to Neighbouring Countries".

New Delhi, May 16, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Government is providing any financial assistance to the neighbouring countries and other developing countries;
- (b) if so, the details of such assistance provided to those countries during the last three years;
- (c) whether the Government has proposed to increase the assistance during the current year; and
- (d) if so, the details thereof?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) The Ministry of External Affairs provides financial assistance to neighbouring and other developing countries under its 'Aid' Budget.
- (b) Details of such assistance provided to the neighbouring countries and other developing countries are as below:

Year	Rs. in Crores
2004-05	1347.61
2005-06	1492.82
2006-07	1286.74

- (c) Yes.
- (d) A budgetary provision of Rs.1567.50 crore has been made for 2007-08 for this purpose.



208. Lakshman Kadirgamar Memorial Lecture delivered by Finance Minister P. Chidambaram at the Institute of International Relations and Strategic Studies on the subject of: "Growth Prospects in South Asia: Challenges and Opportunities".

Colombo, November 11, 2007.

I am deeply grateful to the Lakshman Kadirgamar Institute of International Relations and Strategic Studies for inviting me to deliver this lecture. In particular, I thank Mrs. Kadirgamar who prevailed upon me to find a date for this lecture amidst my rather chaotic schedule. Her persuasion, persistence and patience, I am told, are well known. I am sure that many of you who know her better will agree with me when I say that her qualities can move mountains.

As a fitting tribute to Mr Lakshman Kadirgamar, the Sri Lanka Institute of Strategic Studies was re-christened in August 2006 as the Lakshman Kadirgamar Institute of International Relations and Strategic Studies and given a broader mandate. The objectives of the Institute encompass the vision of Mr Kadirgamar, the most important feature of which is that Sri Lanka should regain its historic internal harmony by embracing its multi-cultural and multi-ethnic character. Mr Kadirgamar himself was a product of Sri Lanka's unique character. He was a Tamil; he was born in the Jaffna region; he was a Christian; he celebrated Vesak, the full moon day on which Lord Buddha was born; he read literature at Oxford; he was called to the Bar from the Inner Temple in the United Kingdom; and he practised law

at the Judicial Committee of the Privy Council. From international civil servant to foreign minister, he held many offices with great distinction.

India regarded Mr Kadirgamar as a statesman who devoted many years of his life - especially his years as foreign minister - to bring peace to this tortured nation. Under the most adverse conditions, he carried out his duties as a public servant in the manner that he played cricket. And how did he play cricket? To recall his words, "I played without helmet and thigh guards, on matting wickets that were full of holes and stones, and I had my share of broken bones to show for it." None could break his spirit as a cricketer and none could break his spirit as a public servant imbued with the high ideals of a statesman.

It is a little over two years since Mr Kadirgamar was assassinated. I pay my tribute to this great Tamil and great son of Sri Lanka, and I am honoured to deliver this lecture instituted in his memory.

The Asian Resurgence

The Asian continent is the cynosure of all eyes. The countries of Asia - except a few - emerged in the middle of the 20th century from long periods of colonial rule. In the initial years they struggled to find their feet and establish suitable models of governance. It was only a matter of time before one or more countries of Asia would burst on the economic scene and capture the attention of the world. And it happened in the 1980s when Singapore, South Korea, Malaysia and Thailand emerged as tiger economies. At the end of the 80s, the question on everyone's lips was whether and when the countries of South Asia would accept the challenge of growth.

South Asia is home to 1470 million people living in eight countries. India is the largest in terms of population and size. The smallest population is in the Maldives and the smallest in size is also the Maldives. The people of the sub continent speak 415 languages, belong to several races and faiths, and have many identities that they cherish. The countries of South Asia also follow different models of governance: without being judgemental, I would simply recall the fact that some of these models have failed. Such failure has consequences for the growth and prosperity of South Asia.

According to the Asian Development Outlook 2007, growth in South Asia since 2003 has averaged 7.5 per cent a year. In 2006, South Asia's GDP grew by 8.7 per cent, with India recording the highest growth among the

large economies and the Maldives recording the highest growth among the small economies. On practically every measure, 2006 was a good year for South Asia. The current account deficit was 2.1 per cent of GDP, thanks largely to workers' remittances; exports grew at 18.8 per cent and imports, even more impressively, at 24.9 per cent. Foreign exchange reserves increased and real effective exchange rates were stable. The Outlook rated the region's prospects in 2007 as "bright due to strong domestic demand and investment."

The growth story has continued in 2007, although one forecast made by the Outlook has turned out to be wrong. It was predicted that world prices of oil and other commodities were likely to fall. What has happened is the exact opposite. However, another prediction has proved to be more than correct, and that is the prediction that the region will attract large capital flows. I am not fond of predictions but I would not mind if I could find some one who could predict which of the predictions will turn out to be true!

Growth is an Imperative

The lesson we should draw from our past history is that nothing can be taken for granted, including growth. We must work hard for growth, we must do the right things and we must avoid doing the wrong things. Even when we do the right things, it is not always that the right consequences will follow because we are a part of the global economy and we will be affected by the ups and downs in the global economy.

For South Asia, growth is an imperative. It is the best antidote to poverty - and I refer to not only income poverty but also poverty as measured by many human development indicators. According to the UNDP's Human Development Report 2004, 31.4 per cent of all South Asians were below the poverty line which was defined as having an income of less than US\$ 1 a day.

The human development index for South Asia in 2003 stood at 0.587. Life expectancy at birth was 63; female literacy rate was 45 per cent; and the gross enrolment ratio was 57 per cent. The infant mortality rate was 63 per 1000 live births. 46 per cent of children under the age of 5 years were underweight and, by inference, undernourished. Of the total population, 14.8 per cent did not have access to safe water and 64.8 per cent did not have access to sanitation.

South Asia remains a region where there is still an unacceptably high level of poverty and deprivation. Despite its impressive rate of growth in recent

years there are, in India, nearly 250 million people who are below the poverty line. Pakistan struggles with a high fertility rate, a low gross enrolment ratio and a low gender-related development index. Nearly one half of the population of Bangladesh is below the income poverty line and it has the lowest rank among South Asian countries on the human development index. Nepal has the lowest GDP per capita and the lowest ratio of population with access to sanitation. Sri Lanka has the lowest public expenditure on education as a proportion of GDP but the highest defence expenditure per capita. Bhutan has the largest proportion of the population without access to safe water and the highest proportion of children, aged 10 to 14 years, in the labour force. The Maldives has the highest fertility rate and the highest rate of growth of population but produces no cereals and is heavily dependent on food imports. We do not yet have reliable data on Afghanistan.

Thus, the challenges that face South Asia are enormous. The answer to these challenges is faster and more inclusive growth.

Governance is the Key

What compounds these challenges is the shadow of political uncertainty that has fallen over most of the sub-continent. It appears to me that the countries of South Asia, barring India, have still not resolved the fundamental question of the model of governance that is suited to each of them; consequently, the political institutions in these countries have not yet taken firm roots. While change is unavoidable and there can be no quarrel with occasional experimentation, a state of constant flux or political turbulence is hardly conducive to rapid economic growth. In fact, absent democracy, whatever growth that may be achieved in short spells may turn out to be iniquitous growth and may exacerbate the social and economic disparities in the society.

In multi-cultural and plural societies, there is no model of governance better suited to reflect and respond to the needs and aspirations of the people than democracy. Furthermore, it is not democracy at one level alone that will assure social and political stability. While there should be a strong central or federal government for the country as a whole, it is equally important that the political system recognizes the geographical or linguistic or ethnic divisions among the people and creates political institutions that will accommodate these differences and give voice and representation to all sections of the people.

India - a Connecting Thread

India is conscious of its role and responsibility in South Asia. India is the largest country in the sub-continent. In recent years, it has recorded the fastest rate of growth among the large economies. Given its size, location and rate of growth, India is at the very centre - in many senses of the word -- of the region. According to one view, India is a connecting thread. India's desire is that all its neighbours -- as well as India -- should seize the opportunity of becoming prosperous countries in a prosperous region.

India is aware of the asymmetry between India and each of its South Asian neighbours and has addressed the issue with candour and boldness. It has done so through bilateral agreements as well as through the South Asian Association for Regional Cooperation (SAARC). Some examples are the grant of MFN status to Pakistan despite the fact that this has not been reciprocated by Pakistan so far; the open trade borders with Nepal and Bhutan; the special tariff concessions offered to Bangladesh; and the India Sri Lanka Free Trade Agreement. India has also taken a forward-looking position on SAFTA.

Regional Integration

Regional integration has many advantages as other regions such as Europe, East Asia and Latin America have discovered. It enables the countries of the region to pool their resources and act in concert to address common problems. It multiplies the attractiveness of the region to other countries as well as enhances the capacity of the region to enter new markets. Regional trading arrangements are often described as building blocks for a rule-based world trade order; in practice, however, regional blocs are driven by their self interest and adopt tough bargaining positions with countries that trade with them. A regional bloc, rather than an individual country, has a greater chance of securing better deals with another regional bloc.

It is an irony of the development trajectories pursued by South Asian countries that while each one of them has made significant progress in integrating its economy with the world's, integration within the South Asian region remains stunted. The tariff and non-tariff barriers between the countries of the region are still too high. Trade facilitation between the countries is still poor. There is insufficient coordinated action to prevent smuggling, especially of fake currency, drugs and arms. There is no concerted effort so far to stamp out money laundering. SAARC does not act as a regional bloc in dealing with other countries or other regional blocs,

and each member country has pursued an independent line in its bilateral and multilateral dealings. For instance, SAARC does not have a SAARC position in the WTO or the IMF. In the negotiations in the Doha Round, there is no SAARC negotiating stance as compared to the stance of the European Union or NAFTA or the CAIRNS Group.

Intra-regional trade among the South Asian countries is barely 5 per cent, which is the lowest rate among practically all regional groups in the world. NAFTA's intra-regional trade amounts to 52 per cent of the group's total trade. In the case of the European Union, the proportion is higher at 55 per cent. Even in nearby ASEAN, intra-regional trade accounts for 21.4 per cent of all trade. Low proportion of intra-regional trade, limited cross border investments, restricted cross border movement of people and low levels of connectivity make the region not a forward-looking regional bloc but a cluster of inward looking member-countries.

Growth-enhancing Opportunities

It is a matter of some concern that South Asia is unwilling to address even non-controversial growth-enhancing issues such as telephone connectivity and travel. Telephone tariffs between the countries of the region are still high. Travel costs are also high. Instead of being a more connected region, the story so far has revealed a South Asia that is perhaps the least integrated region in the world. If South Asia should become a dynamic regional bloc in the larger process of globalization, the region cannot remain disconnected within itself.

The 14th SAARC Summit earlier this year took note of the significant step of the ratification of the SAFTA agreement by all member-countries. SAFTA is important not only to promote intra-regional trade but also to usher in new areas of cooperation in services and investments. There are a number of common problems which are beyond the purview of trade. These include issues such as the constraints of land-locked countries, high transaction costs, inadequate investments, visa restrictions and lack of many professional services. There are also other emerging issues such as energy shortages, disaster management, diseases and epidemics, and climate change. These and other issues can be more effectively addressed if the countries of South Asia showed greater political will and the determination to act as a regional group rather than as discrete countries taking separate roads.

The Theme of Connectivity

Ladies and Gentlemen! You will recall that at the 14th SAARC Summit the Prime Minister of India, Dr Manmohan Singh, unfolded his vision by placing before the Summit the theme of connectivity. He said, and I quote,

"Connectivity - physical, economic and of the mind, enabling us to use fully our geographical and resource endowments, has historically been the key to our region's peace and prosperity. South Asia has flourished most when connected to itself and the rest of the world."

In other regions of the world, member-countries are pressing ahead with bold projects such as trans-regional highways, trade corridors and energy pipelines. Despite the fact that the countries of South Asia have greater commonality, it is unfortunate that they have not made a beginning in the direction of greater connectivity. Consider the power and impact of a trans-regional highway or an energy pipeline upon the economies and the lives of the people of the region. Consider also the fact that the region is home to many places of antiquity, historicity and heritage, including Buddhist sites: a culturally sensitive and socially inclusive tourism can catalyze economic growth. In my view, the theme of connectivity needs to be taken up with utmost seriousness. The countries of South Asia should immediately explore the possibilities of establishing more air links, telecom corridors, tourism circuits and energy grids.

The countries of South Asia also need to pool their resources through collaboration in regional projects, including in areas such as infrastructure, poverty alleviation, public health and disaster management. At the 14th SAARC Summit, member-countries brought into operation the SAARC Development Fund. India has also launched the SAARC tele-medicine project. We should, as early as possible, establish a South Asian University to bring high quality education to all countries in the region. The abundant human resources in South Asia are the most valuable resource base of this region and its expansion as well as enhancement will act as a powerful trigger for rapid economic development.

Development Cooperation between India and Sri Lanka

Let me conclude this lecture with a special reference to the development cooperation between India and Sri Lanka. I may again recall the Free Trade Agreement between the two countries. The economic partnership between India and Sri Lanka could serve as a benchmark for similar partnerships between India and the other countries of South Asia.

Sri Lanka is India's largest trading partner in South Asia. Bilateral trade between the two countries, at the end of March 2007, stood at US\$ 2726 million. I may point out that trade turn over has quadrupled in the last six years. In fact, during the period of six years, Sri Lanka's exports to India have increased ten-fold.

There is also a surge in bilateral investments. Businesses from India have invested in Sri Lanka in sectors such as petroleum, cement, hospitality and transport. We hear every day of growing interest among Indian investors in emerging sectors such as telecom, energy and infrastructure. Equally, it is a cause of great satisfaction that efforts are being made by Sri Lankan business persons to invest in India. There have been significant beginnings in biscuits, beverages and garments. India welcomes the new model of partnership emerging between India and Sri Lanka that is based on a healthy two-way movement of goods, services and capital.

We have also witnessed strong growth in service industries such as shipping, tourism, logistics, banking and insurance. 70 per cent of the calls at Colombo port are from India. Four Indian banks and one Indian insurance company are operating in Sri Lanka. Four airlines from India operate services to Sri Lanka, even while Sri Lankan Airlines remains the dominant player operating about 95 flights a week to India and earning nearly 50 per cent of its profits from its Indian operations. It is not a matter of surprise that 21 per cent of all tourist arrivals in Sri Lanka are from India.

Sri Lanka and India are working together towards greater development cooperation especially in the area of infrastructure. Indian companies have undertaken several projects in Sri Lanka including refurbishment of the Southern Railway corridor. Nearly 50 per cent of the development assistance to the SAARC region provided by India flows to Sri Lanka. There are also small projects for capacity building in education, health and agriculture.

The success of the Free Trade Agreement has encouraged the two countries to begin negotiations on a Comprehensive Economic Partnership Agreement that will expand cooperation beyond trade and goods. I am happy to note that the negotiations are at an advanced stage and it is likely that a draft agreement could be reached very soon.

Peace and Stability

In order to make full use of these opportunities, it is necessary that there is an environment of peace, stability and security in Sri Lanka. India is

committed to the unity, sovereignty and territorial integrity of Sri Lanka. India has made this clear on every occasion; at the same time India has emphasized that the ethnic conflict in Sri Lanka, arising out of a sense of discrimination and a sense of negation of cultural, linguistic and human rights, should be resolved through a negotiated political settlement that includes a credible devolution of powers. Senseless acts of terror on the one side or planned operations by the armed forces on the other side will only result in more death and destruction. Neither side can finally prevail over the other through conflict. Peace must be forged at the negotiating table and the peace agreement must win a vote of confidence from the people. Witness the happy conclusion reached in Northern Ireland after years of strife. The continuation of the armed conflict in Sri Lanka will deepen the divisions in Sri Lankan society and will make a negotiated settlement more difficult. It will also have an adverse impact on the economy, evidence of which is already noticed.

South Asia must seize the Opportunity

It is now generally acknowledged that South Asia, given its recent economic performance, can match East Asia's growth rates. Sound macroeconomic policies can attract huge investments to the region. Capital, joining hands with the abundant and talented human resources of the region, can turn the region into a veritable economic powerhouse.

I shall leave you with a question: will South Asia, inspired by the broad and humanising vision of leaders like Mr Lakshman Kadirgamar, keep its tryst with destiny?



(i) COUNTRIES OF THE SAARC

AFGHANISTAN

209. Joint Press Conference of External Affairs Minister Pranab Mukherjee with Afghan Foreign Minister Dr. Spanta.

Kabul, January 23, 2007.

Afghan Foreign Minister Dr. Spanta: As you all know, Afghanistan and India have special relations. These relations have been linked with historical similarities. India and Afghanistan have common values, political and regional similarities. India is the largest democracy in the world. A country with indulgence, a multicultural and a country with sound coexistence of different cultures. Afghanistan can learn much from this positive experience of India in relations to the tradition of indulgence.

Since the overthrow of Taliban, Republic of India has played a major role in the reconstruction of Afghanistan. India has contributed and pledged 650 millions USD in the fields of reconstruction, capacity building, and scholarships for Afghan students, which we really appreciate. H.E Pranab Mukherjee will elaborate on these contributions and new initiatives of Indian government during his remarks.

In 2006, I had the chance to pay a visit to India as the FM of Islamic Republic of Afghanistan and we had constructive discussions and H.E President Hamid Karzai is also a graduate of India, paid a visit to India and received Indira Gandhi's award for peace which is a symbol of President Karzai's efforts in bringing peace in Afghanistan. We are grateful from Indian people for the construction of parliament's new building in Afghanistan. This building has a symbolic meaning and concept for us, because India is the largest country in the Third World with a rapid development rate. The current India has been successful in democracy we hope that our newly established parliament will similarly represent our people and strengthen democracy in Afghanistan.

In our today's talks, besides strengthening bilateral regional cooperations with India, membership of Afghanistan in SAARC, we also discussed common threats facing the region. The common stand of SAARC members in the 2006 declaration of this organization states that terrorism is an international threat.

Since 2001, 29 MoUs and agreements have been signed, and today we

witnessed the 30th MoU signed between these two countries, which mark a high quality of reciprocal relations between our countries. Nearly, 300 Indian experts and labourers are working in different projects of road construction, reconstruction and energy in Afghanistan. We really appreciate their efforts. Meanwhile, I would like to once more convey condolence of Afghans and Afghan government for the killing of Indian Engineers by terrorists in Afghanistan.

Strengthening of relations between these two countries will be in favor of our neighbouring countries, and it will not sustain a loss to any country. We want to use these relations for the benefits of strengthening relations between South Asian and Central Asian countries.

Afghanistan wants to function as a linking bridge among Central Asia, South Asia, East Asia and Middle East.

Once more I extend my warm welcome Foreign Minister.

External Affairs Minister, Shri Pranab Mukherjee : I would like to thank my gracious host, Foreign Minister Dr. Spanta, for the warm hospitality extended to me and to my delegation. My visit to Kabul is in the context of the 14th SAARC Summit to be held in New Delhi on 3-4 April 2007. However, it has also given me an opportunity to discuss bilateral relations with leaders here.

We are extremely happy that it will be our privilege to welcome Afghanistan in New Delhi when it joins as a member of SAARC in the first ever expansion of this Association. Later today, I will be calling on H.E. President Karzai to convey the invitation of Prime Minister Dr. Manmohan Singh to the SAARC Summit.

I have also invited Foreign Minister Dr. Spanta to participate in the 28th meeting of the SAARC Council of Ministers in New Delhi on 2 April 2007 as a Special Invitee.

Earlier today, I called on the President of Wolesi Jirga, His Excellency Mohammad Yunus Qanooni. I also met Chairman of the Committee of Foreign Relations of Wolesi Jirga Ustaad Rasool Sayyaf and discussed India-Afghanistan relations with members of the Committee.

We have just concluded detailed talks with Dr. Spanta and his delegation on SAARC and on the entire gamut of bilateral relations. We also exchanged views on the regional situation.

Afghanistan has made commendable progress since the Bonn Agreement of December 2001. We recognize the challenges faced by the people of Afghanistan but we are confident that they will overcome them and rebuild Afghanistan into a strong and vibrant country that will contribute to peace, prosperity and stability in the entire region.

India-Afghanistan bilateral relations are fast developing into a partnership which is very special to us. We are glad to be able to contribute to the reconstruction and rebuilding of Afghanistan.

As part of India's long-term commitment to the stability, progress and peace in Afghanistan, I would like to announce the following new initiatives:

- (a) Enhancement of India's assistance pledge by an additional US\$ 100 million. With this additional pledge, India's total assistance to Afghanistan's reconstruction becomes US\$ 750 million.
- (b) Launching the projects under the Small Development Projects (SDP) programme, for which an MOU was signed on August 28, 2005 during the visit of Prime Minister of India to Afghanistan. The objective of the programme is to focus on small projects of less than US \$ 1 million which have short gestation and can be implemented by local communities who can derive immediate benefit from them.
- (c) Contribution of US\$ 1.08 million for Capacity Development Facility of Afghanistan, the MOU for which has been signed a short while ago.
- (d) Handing over of Polyclinic Block of Indira Gandhi Institute for Child Health (IGICH). The new Polyclinic Block, constructed by Government of India, is well integrated with a diagnostic centre and laboratory to house a new Out-Patients Department and Operation Theatre. The new Polyclinic will be instrumental in providing holistic health care to patients, in particular to children and women, not only from Kabul but also from far-flung areas.
- (e) I also propose to visit Indira Gandhi Institute for Child Health Care where I will hand-over a consignment of medicines from India for the benefit of patients at the hospital.

Later today, I will have the honour of unveiling the plaque naming the road adjacent to Indira Gandhi Institute for Child Health (IGICH) as "Indira Gandhi Road", in memory of former Prime Minister Smt. Indira Gandhi. I would like to convey my deep appreciation on behalf

of Government of India and people of India for this special gesture, by the Government of Afghanistan and the local authorities.

Question: As you said, Afghanistan is going to be a linking bridge between South Asia and Central Asia, Have you discussed on the broken connection with Pakistan or not?

Dr. Spanta: We do believe there are some problems in this regard, but I am pretty much confident that countries of the region, Afghanistan, Pakistan, India and other countries of the region with a perspective to their national interests will solve this problem in the long run. We hope that closed ways are soon reopened and it will be soon.

Question: Pakistan has so many times raised concerns over the increasingly improving relations of India and Afghanistan; could you please tell us the cause of their concerns? How do you assess Pakistan's stand to the issues regarding its neighbours, especially India?

Shri Pranab Mukherjee: Our policy has so far been to have good relations with all our neighboring countries. In my previous visit to Pakistan, we reiterated on the importance of improving relations with Pakistan and that they should get closer so that peace and stability is secured in the region. I also flagged that Pakistan facilitate the trade which is now being carried out through ports, so that land connection with Afghanistan is reestablished.



210. Statement by Indian Ambassador in Kabul and Head of the Indian Delegation Rakesh Sood at the meeting of the Political Directors' Joint Coordination and Monitoring Board meeting.

Berlin, January 30, 2007.

Mr. Co-Chairmen,

Distinguished delegates,

Ladies and Gentlemen,

It is a pleasure to be here at this special meeting of the Joint Coordination and Monitoring Board in Berlin today. I would like to thank the hosts for the gracious hospitality and the excellent arrangements made for the meeting.

Mr Co- Chairmen, the international community has been united in committing itself to the reconstruction and development of Afghanistan since the commencement of the Bonn Process. The coordinated effort by the Government of Afghanistan and the international community to bring Afghanistan from its decades of destruction to the path of peace, stability and development led to the adoption of the Afghanistan Compact in London in January last year. A year later, we meet again to review the progress and instill confidence in the people of Afghanistan and reaffirm the unwavering commitment of the international community of the challenge of reconstruction of Afghanistan.

India has demonstrated its full commitment to rebuilding its neighbour, Afghanistan. The modest assistance of Government of India, which started soon after the ouster of Taliban from Kabul, has now expanded several folds. During the recent visit of External Affairs Minister of India to Kabul on January 23-24, 2007, India announced an additional pledge of US \$ 100 million, thereby taking India's total aid to Afghanistan to US \$ 750 million.

We have ensured that every project is taken up after due consultation with the Government of Afghanistan, implemented in close coordination with them and conforms to Afghan priorities. We have taken up projects in almost all the important sectors including, education, health, telecommunication, transport, civil aviation, agriculture and irrigation, industry, power generation and transmission, human resource development, media development, road building and many other areas. These include humanitarian projects of

providing medical care to around 350 thousand patients annually in Afghanistan by Indian doctors; and supply of 100 grams of fortified biscuits to more than one million school children every day in various parts of Afghanistan in collaboration with WFP. From next month onwards, India will embark upon the task of implementation of the Small Development Projects in the outlying districts of Afghanistan, in which several quick gestation projects like school buildings, medical clinics, veterinary centres, bore-wells, plant nurseries, orphanages, etc will be built, by local community.

I would like to highlight especially the capacity development efforts, which is a crosscutting issue in the Afghanistan Compact. Since 2001, India has trained more than 1300 Afghans in India. In order to accelerate this effort, since 2006, we have embarked upon an ambitious programme of training 500 Afghans in short-term courses and 500 Afghan in graduate and postgraduate courses, annually in India. Additionally, India also signed an MoU on 'Capacity Development in Public Administration' for Afghanistan, with the Afghan Independent Administrative Reforms and Civil Service Commission and the United Nations Development Programme. Under this, India will provide 30 experts with rich civil service experience, to work with the Afghan ministries and other agencies to help build competence and capability. In addition, India has also made efforts to include a strong capacity development component in all its infrastructural projects in Afghanistan.

Mr. Co-Chairmen, India fully shares the concerns expressed by the Afghan government over the escalation of violence in recent months due to revival of Taliban, Al-Qaeda and other extremist groups, the existence of cross border safe havens for these groups, and growing incidents of suicide bombing and IEDs. It has been our endeavour to strengthen the Government of Afghanistan in order that a strong political message is sent all around that the problems posed by narcotics, terrorism and insecurity in Afghanistan will not deter the international community from its agenda of economic development of Afghanistan. We as the international community have a responsibility to deal with such challenges in a joint manner so that this region attains peace and stability. India believes that the reality with respect to the prevailing security paradigm in Afghanistan needs to be reflected accurately in the JCMB reports to enable the international community, especially those countries that are involved in the security sector, to adopt effective policies and measures against cross-border terrorism, which is having a destabilizing influence in Afghanistan and the region.

Mr. Co-Chairmen, Afghanistan's recent admission as a member of SAARC is recognition of its historical links with South Asia and would encourage free trade and participation in shared economic activities. I would like to call upon regional countries to commit itself to the pledge made by them at the 2nd Regional Economic Cooperation Conference on Afghanistan in New Delhi in November 2006, wherein they agreed to enhance regional cooperation on opportunities of mutual benefit. In addition, I would like to endorse Government of India's firm commitment to support the efforts of JCMB in carrying forward the Compact and implement the development of Afghanistan in a coordinated manner as projected in the document.

To conclude, I would like to reiterate India's commitment to work with the Government and the people of Afghanistan and the international community for socio-economic upliftment of Afghanistan and peace and stability of the region.

Thank you.



211A. Question in the Lok Sabha: "Visit of External Affairs Minister to Afghanistan".

New Delhi, March 7, 2007.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the Minister of External Affairs has visited Afghanistan recently;
- (b) if so, the details of discussions held and the outcome thereof;
- (c) whether the issues like terrorism and security of Indians working in Afghanistan also came up for discussion;
- (d) if so, the outcome thereof;
- (e) the steps taken by the Government for the safety of Indians;
- (f) whether the Minister of External Affairs has announced enhancement of assistance being provided to Afghanistan ;
- (g) if so, the details thereof including the assistance provided by India during the last two years; and

- (h) the names of sectors for which assistance is being provided?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a)-(b) External Affairs Minister, Shri Pranab Mukherjee visited Kabul on January 23-24, 2007 to invite President Karzai to the 14th SAARC Summit to be held in New Delhi on April 3-4, 2007. During the visit, EAM called on President Hamid Karzai, Speaker of the Wolesi Jirga Mohammad Yunus Qanooni, Chairman of the Parliamentary Committee on Foreign Relations of the Wolesi Jirga Ustad Rasool Sayyaf and Foreign Minister Rangin Dadfar Spanta. In his interactions with the Afghan leaders, the entire gamut of bilateral relations was discussed. An MoU on Co-operation in the Field of Development in Public Administration was also signed with UNDP and Afghan Government. EAM also handed over the Polyclinic Block of Indira Gandhi Institute for Child Health (IGICH), built with Indian assistance. He also unveiled a plaque naming a street adjacent to Indira Gandhi Institute for Child Health Care (IGICH) as "Indira Gandhi Road".
- (c)-(e) Issues like terrorism and security of Indians also came up for discussions. Both the sides agreed on the need to eradicate terrorism. Government of India are taking all possible measures to ensure the safety of Indian workers in Afghanistan. The Indian Mission/Posts in Afghanistan issue regular security advisories and updates for the benefit of Indians working in Afghanistan. Indian workers are urged to register themselves with the Indian Embassy or any of the Consulates. They have been instructed to take adequate security measures and inform their employers and the Embassy/Posts in case they perceive any security threat. Government of India is in constant touch with the Government of Afghanistan, at various levels. Government of Afghanistan has assured that it will take all the steps necessary to provide security to Indians in Afghanistan.
- (f) As part of India's long-term commitment to the stability, progress and peace in Afghanistan, during the visit of EAM, India announced an additional pledge of US \$100 million. With this additional pledge, India's total assistance pledge for the reconstruction of Afghanistan becomes US \$750 million.
- (g)-(h) The Indian assistance to Afghanistan during the financial year was Rs.272.25 crores and for the financial year 2005-06, it amounted to

Rs. 383 crores. India's assistance has mainly been in the sectors that have been identified by the Afghan Government as priority areas of development. They are construction, agriculture, industry, telecommunications, information & broadcasting, power, urban development, technical assistance, education and health.



**211B. Statement by Permanent Representative at the UN
Nirupam Sen on the Situation in Afghanistan at the
Security Council.**

New York, March 20, 2007.

Please See Document No 599.



212. Memorandum of Understanding between the Government of the Republic of India and the Government of the Islamic Republic of Afghanistan for setting up of the India - Afghanistan Foundation.

New Delhi, April 3, 2007.

The Government of India and Islamic Republic of Afghanistan

Desiring to promote mutual understanding and cooperation between the peoples of India and Afghanistan by a wider sharing of knowledge and professional talents through academic and technical exchanges and contacts,

Have agreed to conclude this Memorandum of Understanding for the setting up of the India-Afghanistan Foundation (hereinafter called the **Foundation**).

Article I

There shall be established a Foundation, to be known as the India-Afghanistan Foundation, with the objective of fostering educational, cultural, scientific and technical cooperation between Afghanistan and India. This Foundation shall function under the terms of the present Memorandum and shall implement a programme aimed at achieving the above-mentioned goals.

Article II

The Foundation shall be financed through revenues from a Trust Fund, This Trust Fund shall be set up principally through grants made available by Government of Afghanistan and the Government of India. It may, however, also accept contributions from other agencies, both public and private.

Article III

The revenues from the Trust Fund, within the conditions and limitations hereinafter set forth, shall be used by the Foundation for the purpose of:

- (1) financing higher studies, research and other educational activities and in service training for citizens of Afghanistan at institutions of learning located in India, and vice versa.
- (2) financing visits and exchanges between India' and Afghanistan of

scholars, poets, writers, journalists, artists, and of teachers, instructors, professors and other professionals both in the general field of education and in the fields of agriculture, public health, science and technology, and such other fields as may be mutually agreed upon by the *two* Governments.

- (3) financing other related programmes and activities such as seminars, symposia/ colloquia, workshops, etc. on subjects of common interest.
- (4) extending financial support to non-Governmental organizations, both in Afghanistan and in India, whose work helps achieve the objectives of the Foundation.
- (5) contributing towards the publication of standard works in the field of Afghanistan's history and culture.
- (6) encouraging the translation of standard works of Afghanistan's literature into Indian languages and vice-versa and arranging for their publication.
- (7) adopting any other measures, which may be considered necessary for the fulfillment of the objectives of the Foundation.

Article IV

The following shall be the thrust areas for the activities to be carried out by the Foundation: i) Education and culture; ii) Agricultural Research; iii) Science and technology; iv) Health; v) Technical training; vi) Developmental Studies; vii) Women's Studies; and viii) Area Studies.

Article V

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of the present memorandum, exercise all the powers necessary for carrying out the purposes of the present memorandum including the following:

- A) Receive funds;
- B) Open and operate bank accounts in the name of the Foundation;
- C) Disburse funds and make grants and advances of funds, including payment for transportation, tuition, maintenance and other expenses incidental thereto;

- (D) Plan, adapt, carry out programmes in accordance with the purposes of the present Memorandum;
- E) Recommend/ nominate to the Universities/ Colleges in India, and in institutions run by the Government of India, trainees, professors, research scholars, teachers and professionals resident in Afghanistan for various programmes/ courses in India, and vice versa;
- F) Provide for periodic audit of the accounts of the foundation by auditors selected by GOA and GOI.

Article VI

All commitments, obligations and expenditure incurred by the Foundation shall be made pursuant to an annual budget to be approved by the GOA and the GOL

Article VII

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of 10 Directors (hereinafter designated as "the Board"). The Ambassador of India to Afghanistan and the Ambassador of Afghanistan to India shall be the Co-Chairpersons of the Board. The GOA and the GOI shall each nominate four other members of the Board. Respective Embassy officials designated by the concerned Ambassadors shall act jointly as Secretaries of the Foundation.

Article VIII

The Board shall adopt such by-laws and appoint such Committees, as it shall deem necessary for the conduct of the affairs of the Foundation.

Article IX

A report on the activities of the Foundation shall be prepared annually by the Board and presented to the GOI and the GOA.

Article X

The Co-Chairpersons of the Board shall be responsible for the direction and supervision of the Board's programmes and activities in accordance with the Board's resolutions and directives and the provisions of this memorandum.

Article XI

Meetings of the Board shall be held twice a year alternately in Kabul and New Delhi.

Article XII

Wherever, in the present Memorandum, the terms the GOI and the GOA are used, it shall be understood to mean the Foreign Secretary of Ministry of External Affairs of Government of India and the Deputy Foreign Minister (Political Affairs) of the Ministry of Foreign Affairs of Government of Afghanistan.

Article XIII

The present Memorandum may be amended by the exchange of diplomatic notes between the GOI and the GOA,

Article XIV

The GOI and the GOA shall make every effort to facilitate the exchange of persons and programmes provided for in this Memorandum and to resolve problems, which may arise in the operation thereof through bilateral discussions.

Article XV

The present Memorandum will come into force upon the date of signature.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed the present Memorandum of Understanding.

DONE at New Delhi on 3rd April 2007 in two originals each in Hindi, Dari and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

(Rakesh Sood)
Ambassador of India
to Afghanistan

On behalf of the
Government of the
Republic of India

(Dr. Sayed Makhdoom Raheen)
Ambassador of Afghanistan
to India]

On behalf of the government
of the Islamic Republic of
Afghanistan

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213. Briefing points by Official Spokesperson on signing of MOU on Indian-Afghanistan foundation and naming of the road in New Delhi after Ahmad Shah Massoud.

New Delhi, April 5, 2007.

The Government of India and the Government of Afghanistan signed an MOU on India-Afghanistan foundation on 3rd April 2007 in New Delhi. The MOU was signed by the Ambassador of India to Afghanistan, Shri Rakesh Sood, and the Ambassador of Afghanistan to India, Dr. Sayed Makhdoom Raheen, in the presence of External Affairs Minister Shri Pranab Mukherjee and Afghan Foreign Minister Dr. Rangin Dadfar Spanta.

2. The India-Afghanistan Foundation (IAF) is being set up with the objective of fostering bilateral cooperation in areas of education, culture, science and technology, agricultural research, health, technical training, developmental studies and women's studies. IAF will facilitate higher studies, research and other educational activities for Afghan students at institutions of learning in India and vice versa, as well as promote exchanges between India and Afghanistan of scholars, poets, writers, journalists, artists, teachers, and professionals in the above-mentioned areas.
3. The Government of India has decided to name the Cross Road No. 1 between Niti Marg and Shantipath in New Delhi after 'Ahmad Shah Massoud'. In this context, a plaque 'Ahmad Shah Massoud Marg' was unveiled by H.E. Mr. Hamid Karzai, President of the Islamic Republic of Afghanistan, and Shri Pranab Mukherjee, Minister of External Affairs, Government of India on 5 April 2007. Smt. Sheila Dikshit, Chief Minister of Delhi, was also present in the ceremony. Cross Road No. 1 will be the first street in Delhi named in honour of any Afghan leader.
4. Commander Ahmad Shah Massoud was a prominent leader of Afghanistan and was a hero in the war against Taliban. He is widely recognized and honoured in Afghanistan as a national icon. Commander Massoud was affectionately called Sher-e-Panjshir (Lion of Panjshir) [Panjshir is the famous valley in Hindukush mountains, from where Massoud hailed]. He was assassinated by suicide bombers sent by Taliban or Al Qaeda on September 9, 2001.



214. Press Release of the Ministry of External Affairs on the Intervention by External Affairs Minister Pranab Mukherjee at the Asia-Europe Meeting (ASEM) on Afghanistan in Hamburg.

New Delhi, May 28, 2007.

I use the opportunity you have provided me today to share some thoughts on Afghanistan.

In 2002, there was a strong international consensus and commitment that the rebuilding and reconstruction of Afghanistan must continue apace with a stabilization of the security situation. The Bonn, Tokyo and Berlin conferences, the Regional Economic Cooperation Conference (RECC) on Afghanistan in New Delhi, the successful completion of Presidential and Parliamentary elections- all these are prominent landmarks of the gains so far. But the challenges remain, indeed they have grown and the resurgence of the Taliban has set the entire process on precarious ground.

The increase in suicide attacks, kidnappings and most of all the growing strength of the Taliban through Afghanistan's south make us now confront a problem which has acquired threatening proportions and which calls for a well thought out counter strategy. An oft repeated truism stares us in the face; if we forget history, we will be condemned to repeat it. The international community must do all that it can to prevent the reenactment of the ghastly dance of death of the past.

The area of instability now covers both sides of the Durand Line. It radiates and projects its influence in all areas west of the Indus. Early warning signs of this happening were perhaps ignored. We now face a situation where in a large swathe of Southern Afghanistan, international development activity has slowed down to the point of being non-existent.

Afghanistan's concerns at the incidence of cross border infiltration have been accompanied by serious clashes between the border guards of Afghanistan and Pakistan. The arc of instability is spreading. The international community must stand united with the Afghan people and reassure them that we intend to stay the course. As a victim of the evil of terrorism, we knew that the fight against global terrorism was never going to be an easy one. We cannot allow our enthusiasm to wane or

improvise solutions by way of compromises - whether with the Taliban or with others. We are dealing with a globally and regionally interconnected alliance of terrorist groups. The Al Qaeda the Taliban feed off each other, nourish and protect each other and actively cooperate in carrying out attacks against their enemies - which includes most of us present here today! Appeasement will only embolden them and they will use every concession to undermine, cripple and destroy the very base of the democratic and plural structure that the international community seeks to build there.

What can we do? We have to be determined to stay the course and deal with the security challenge as well as the developmental effort. The gap between pledged contributions and actual inflows must be bridged. Developmental activity cannot be allowed to suffer. India on its part will do what it can. We have a large and ambitious assistance programme in place, ranging from roads and hydroelectricity to small developmental projects, education and training. Much more needs to be done. But developmental efforts have to be simultaneously accompanied by action on the security front. On our part, we are ready to work together with Afghanistan, Pakistan, and the international community towards this end.



215. Press Release of the Ministry of External Affairs on the demise of His Majesty Zahir Shah, Baba-e-Millat.

New Delhi, July 23, 2007.

The President, the Prime Minister and the External Affairs Minister have conveyed their condolences to the Government of Afghanistan at the demise of His Majesty Zahir Shah, Baba-e-Millat.

In their messages, His Majesty Zahir Shah's commitment to friendly relations between Afghanistan and India was recalled.

Shri Saifuddin Soz, Minister of Water Resources and Shri A Rehman Khan, Deputy Chairman, Rajya Sabha will represent the Government of India at the funeral tomorrow¹.

As a special mark of respect, the National Flag will fly at half mast at all Government buildings in the capital and in our Missions and Posts abroad during day light hours tomorrow.

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1. On July 25, the Spokesperson told the journalists that Minister of Water Resources Saifuddin Soz accompanied by the Deputy Chairperson of Rajya Sabha Mr. K. Rahman Khan officially represented India at the funeral. They had in their entourage Joint Secretary in the External Affairs Ministry dealing with Afghanistan, Shri T.C.A. Raghavan besides of course, Ambassador Shri Rakesh Sood. Paying homage to King Zahir Shah, Minister Soz recalled the efforts and programmes initiated by His Majesty Zahir Shah to build modern Afghanistan. In recollecting His Majesty's affection and friendship with the government and the people of India, Mr. Soz paid rich tributes to the contributions of His Majesty in strengthening the relationship between the two countries. Conveying the condolences on behalf of the Government of India and the people of India, he added, an era had come to end in the history of Afghanistan.

**216. Statement by External Affairs Minister Pranab Mukherjee
at the high level meeting on Afghanistan.**

New York, September 23, 2007.

Your Excellency, President Karzai,

Your Excellency, Secretary-General Ban

Colleague Ministers,

Distinguished Delegates,

First of all, I would like to express our solidarity with Italy on the

It is a pleasure to participate in this High-Level Meeting on Afghanistan, and to discuss co-operation between the Government of Afghanistan and its international partners in the reconstruction and development of the country. This is a timely event, which will allow the participants to reaffirm their commitment to support the consolidation of the many achievements recorded so far, and to overcome the current challenges and work more effectively together in future to achieve our shared goal of a stable and prosperous Afghanistan.

India remains fully committed to the Joint Coordination and Monitoring Board (JCMB) structure and processes, put in place painstakingly by the Afghan government and the international community for supporting the implementation of the Afghanistan Compact benchmarks adopted at the London Conference in January 2006, as well as for addressing the totality of security, political and developmental challenges facing Afghanistan.

Excellencies,

India's commitment to the rebuilding and development of Afghanistan remains unflinching. Our assistance, which started with the Berlin Conference soon after the ouster of Taliban from Kabul has now reached US\$ 750 million, despite our limited resources, making India one of the largest bilateral donors in the country. Of the total pledge, India has already disbursed around US \$ 300 million in the implementation of various assistance projects since 2002. India has taken up projects in virtually all regions of Afghanistan, covering almost all sectors, including education, health, telecommunication, transport, construction, civil aviation, agriculture and irrigation, industry, power generation and transmission, information

and broadcasting as well as human resource development. In the second phase of our assistance, India's focus is on Small Development Projects, focusing on the participation of the local communities, which will be able to provide aid quickly to the provinces that have not yet seen the benefits of development. Our diverse assistance programme is fully aligned with Afghan priorities and is implemented in close coordination with the Afghan stakeholders, focusing particularly on local implementation, management and ownership of assets.

The present meeting is both a time for stock-taking, and a valuable opportunity to look at ways to make existing mechanisms more effective by reaching a consensus amongst donors and Afghan partners on the way forward. The real challenge is to turn high-level political commitments into concrete outcomes that will create the conditions for greater national ownership and leadership of the security, reconstruction and developmental processes in the long term.

With respect to security, India fully appreciates the Afghan government's position that the challenge of terrorism, suicide attacks, bombing, poppy cultivation, cross-border infiltration, corruption and dissidence among the Afghan people requires both, a robust international political solution as well as a stronger internal military response. At the same time, we sense that security challenges need to be addressed realistically: we need to provide appropriate tactical responses, including both security enforcement measures and also economic and developmental strategies. India shares the deep concerns of the international community at the security situation. We cannot and must not underestimate the ferocity of the Taliban and Al Qaeda resurgence. None of us can afford to improvise partial solutions that seemingly provide temporary relief. There is no option to remaining resolute and determined.

With respect to the developmental challenge, India is fully convinced that the key to the sustainability of the work being undertaken in Afghanistan will be capacity and human resource development of Afghan people. For this, a multi-pronged approach is required, which will ensure that skills are transferred to the Afghan people, along with decision-making powers, and that employment opportunities exist in the fields where these skills are transferred. So far, India has trained more than 2,700 Afghan citizens in India. Since 2006, we have embarked upon a programme of annually training 500 Afghan public officials in short-term courses and 500 Afghan students at University-level courses in India. India is also implementing a

capacity development programme in public administration with UNDP for deputation of 30 Indian civil servants to the various Afghan Ministries. In addition, India is including a strong capacity development component in all its infrastructure projects in Afghanistan. India also fully supports the Afghan Government's focus on South-South Cooperation as an appropriate and affordable strategy towards enhanced national capacity.

Excellency,

The regional aspect is crucial in the reconstruction and donor-led development processes in Afghanistan. Regional economic cooperation is an important benchmark of the London Compact, and a strategic element of the Afghanistan National Development Strategy. Several regional cooperation events have taken place since the Bonn Conference, including the Kabul and New Delhi Regional Economic Cooperation Conferences. Afghanistan's entry into the South Asian Association for Regional Cooperation in April 2007 will not only further strengthen its historical links with the South Asian region, it will also provide the region lasting benefits in free trade and shared economic activities. The challenge will be in developing coordinated measures to implement programmes formulated in these regional processes covering cross-border terrorism, law enforcement, land transit as well as the broader investment, trade and business issues. India is willing to take on any appropriate supportive role in the regional cooperation process in the context of Afghanistan's reconstruction. India also welcomes the decision to make regional economic co-operation the main focus of the next meeting of the JCMB next month in Kabul.

An effective national communications and public outreach strategy, to which the Afghan government already attaches high priority, remains a compelling policy element. This will involve creation of the appropriate support infrastructure and dissemination systems, to reach out to the people at the sub-national levels. This will not only assuage overloaded public expectations, but also help mainstream the provinces into the national polity, which is one of the key objectives of the JCMB platform.

Excellencies,

Ultimately, all the different political and developmental processes in place in Afghanistan must be "Afghan-ized", with Afghan-led identification and prioritization of projects, implementation, ownership and management. At the same time, there is a need for a realistic assessment of key needs and

capacity impacts, clearer prioritization and costing of projects, due focus on infrastructure, capacity building, anti-corruption efforts, improved information sharing as well as greater donor co-ordination.

To conclude, I would like to reiterate India's continued commitment to partner the government and the people of Afghanistan, as well as the international community, in the socioeconomic upliftment of Afghanistan, for peace and stability of the region.

Thank you.



217A. Report on External Affairs Minister Pranab Mukherjee's rejection of the Afghan proposal to engage "Good Taliban" in the peace process.

Moscow, October 12, 2007.

India does not support the initiative of Afghanistan President Hamid Karzai to engage the "good Taliban" in the peace process, External Affairs Minister Pranab Mukherjee said in Moscow after Co-Chairing the India-Russia Inter-Governmental Commission on October 12.

"Some make a distinction between 'good Taliban' and 'bad Taliban' - I don't, because I've seen the Taliban, they have only one cult - the cult of violence," Mr. Mukherjee said. Mr. Mukherjee denied media reports that India had shifted its position on the issue of talks with the Taliban at a United Nations high-level meeting on Afghanistan in New York last month^U. "Our stated position is zero tolerance for terrorists," he told daily *The Hindu*. "What I stated in New York is that if extremist organisations give up violence and come forward to join in the reconstruction and rebuilding of Afghanistan, there is no problem."

Asked whether he saw any faction in the Taliban that can be engaged in talks, Mr. Mukherjee bluntly said: "No. They are simply indulging in violence, and have even launched attacks on civilians, which is a new development."

(Mr. Karzai has recently been arguing in favour of opening talks with those Taliban leaders who are not linked to Al-Qaeda. British Defence Secretary Des Browne last month warned that there was "no possibility" of establishing

^U Please see Document No 216

a Western legal system in Afghanistan and called for involving the Taliban in peace efforts.

Mr. Mukherjee said India and Russia saw eye to eye on the issue of rejecting talks with the Taliban. (Speaking at the New York meeting on Afghanistan on September 23, Russia's Deputy Foreign Minister Alexander Yakovenko deplored the fact that "some of our colleagues still have the illusion that by making peace with the Taliban who have allegedly repented, it is possible to bring stability to Afghanistan.")



**217B. Statement by Permanent Representative at the UN
Nirupam Sen on the question of Afghanistan at the
Security Council.**

New York, October 15, 2007.

Please see Document No 620.



218. Press Release of the Ministry of External Affairs on the terrorist attack in Pul-e-Khumri, Afghanistan.

New Delhi, November 7, 2007.

We were deeply saddened to hear of the loss of life following the suicide attack in Pul-e-Khumri yesterday. We condemn in the strongest possible terms such blatant acts of terrorism and the consequential loss of innocent lives. It is particularly reprehensible that Members of Parliament are being specifically targeted. We were specially grieved to hear that many children were amongst the victims of this attack.

2. We greatly regret the death in this attack of Mr. Mustafa Kazimi, a distinguished former Minister of the Government of Afghanistan.
3. Such acts underline the need for a renewed commitment by the international community to the Government and People of Afghanistan in their task of developing a democratic, stable and prosperous nation.



BANGLADESH

219. Response of the Official Spokesperson to a question relating to political developments in Bangladesh.

New Delhi, January 3, 2007.

As a friendly neighbour we are naturally interested in Bangladesh remaining peaceful, democratic and stable. The election machinery in Bangladesh should inspire confidence in its neutrality in the mind of the electorate. It is our hope that the people of Bangladesh will be able to elect a government of their own choice in a free, fair, credible and democratic election¹.



220. Response of Official Spokesperson to a query regarding the political developments² in Bangladesh.

New Delhi, January 11, 2007.

We have just heard of developments in Bangladesh and are closely studying the evolving situation. It remains our hope that the people of Bangladesh will be allowed to exercise their democratic right to choose their own government in a free and fair process through credible elections in which all major political parties are in a position to participate.



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1. The grand political alliance of political parties led by Sheikh Hasina's Awami League announced the boycott of the parliamentary elections scheduled for January 22 alleging that the electoral process under the caretaker government was "stage-managed". "We have decided not to participate in stage-managed elections....we cannot give legitimacy to such an election being held without a legitimate voters list," said Sheikh Hasina while announcing the alliance's decision at a press conference in Dhaka on January 3.
 2. The Spokesperson was referring to the development in Dhaka in which on January 11 the Bangladesh President Iajuddin Ahmed resigned as chief of the non-party caretaker government and pledged to reconstitute his Council of Advisers afresh within the next few days for holding a participatory, credible elections. In a nationwide telecast Mr. Ahmed said he decided to resign due to a strong national controversy over his taking over on October 29. A new chief of the caretaker government would be soon appointed. The President was under severe attack from the opposition parties for being "grossly partisan" towards the immediate-past ruling coalition headed by Begum Khaleda Zia. He was also accused of going ahead with an election which had been boycotted by the grand alliance of political parties led by the main opposition Awami League.

221. Statement by External Affairs Minister Pranab Mukherjee on arrival in Dhaka to extend formal invitation to Bangladesh to attend the SAARC Summit.

Dhaka, February 19, 2007.

At first, before making my statement here, I would like to pay my deep respect to all the language martyrs of Bangladesh. The people of Bangladesh are now remembering their sacrifices and paying their regards to the martyrs by organizing various programmes.

I am happy to be in Dhaka. On behalf of Prime Minister Manmohan Singh, I will be extending a formal invitation to Bangladesh to attend the 14th SAARC Summit in Delhi from April 3rd-4th, 2007. In recent weeks, I have travelled to other SAARC capitals to deliver similar invitations. As you know, this is the SAARC tradition and practice.

During my day-long stay in Dhaka, I will be paying courtesy calls on H.E. President Iajuddin Ahmed, the Hon'ble Chief Adviser to Caretaker Government Dr. Fakhruddin Ahmed and former Prime Ministers Begum Khaleda Zia and Sheikh Hasina. I will also be holding a meeting with the Adviser on Foreign Affairs, H.E. Dr. Iftekhar Ahmed Chowdhury.

Though my visit is in the context of the forthcoming SAARC Summit, I intend to reiterate during these meetings the high importance attached by the Government of India to our relations with Bangladesh. I will also be discussing various bilateral issues during my meetings. India wishes Bangladesh well and will continue to work to develop good neighbourly friendly relations between our two countries.



222. Statement by External Affairs Minister Pranab Mukherjee before his departure from Dhaka.

Dhaka, February 19, 2007.

I have had a very useful and productive visit to Bangladesh today. In the forenoon, I paid a courtesy call on the President of Bangladesh, Dr Iajuddin Ahmed and extended an invitation to Bangladesh to participate in the 14th SAARC Summit being held in New Delhi from April 3-4, 2007. I had detailed discussions with the Chief Advisor of Caretaker Government, Dr Fakhruddin Ahmed. He has graciously agreed to attend the SAARC Summit. I also called on former Prime Minister & Chairperson of Bangladesh Nationalist Party, Begum Khaleda Zia and former Prime Minister & President of Awami League Sheikh Hasina.

During my meetings with the Chief Advisor Dr Fakhruddin Ahmed and Foreign Advisor Dr. Iftekhar Ahmed Chowdhury, the discussions centered on bilateral relations and the forthcoming 14th SAARC Summit. In the context of bilateral relations, both sides agreed to take steps to place bilateral relations on an 'irreversible higher trajectory'. With the view to providing impetus to bilateral economic linkages, I have announced that India will grant unconditional duty free access to import of 2 million pieces of readymade garments from Bangladesh. The issue of restrictions being placed on import of cosmetics from Bangladesh has also been resolved. The Bangladesh side has been kind enough to offer early operationalisation of Sealdah-Joydevpur passenger train service and to build a bridge over Ragnacherra river. Both sides have agreed to jointly combat terrorism, which today poses the most grave challenge to our society and threatens the rapid economic development of our nations.

The discussions on SAARC focused on ensuring the success of the forthcoming SAARC Summit and early and full implementation of SAFTA. Both sides have agreed to lay emphasis on better connectivity among SAARC countries, including between India and Bangladesh. Further, we have also agreed on the establishment of a South Asia University as a centre of excellence.

India attaches the highest importance to its relations with Bangladesh. I have reiterated India's desire to strengthen and further enhance the friendly cooperative relations between our two countries. It was agreed that further discussions would be held in Delhi and Dhaka to take forward the friendly relations.



223. Question in the Lok Sabha: "Talks with Bangladesh and Nepal on anti-India activities".

New Delhi, May 9, 2007.

Will the Minister of External Affairs be pleased to state:

- a) whether the Government has taken up the matter with Bangladesh and Nepal regarding anti-India activities being carried out on their soil;
- b) if so, the details thereof; and
- c) the outcome thereof?

The Minister of External Affairs (Shri Pranab Mukherjee):

(a) to (c) A statement is placed on the Table of the House.

STATEMENT

Government have been regularly taking up with the Government of Bangladesh, the issue of anti-India activities emanating from Bangladesh. Assurances have been provided by the Government of Bangladesh at the highest level that its territory will not be allowed to be used for activities inimical to India. Government of India have emphasised to them the need for concrete and sustained action towards fulfilling this assurance.

Besides taking up the matter regularly with the Government of Bangladesh, Government have also taken various measures to curb illegal influx into the country, which, *inter alia*, include strengthening of Border Security Force (BSF), accelerated programme of construction of border roads and border fencing and improved surveillance.

With regard to Nepal, all cross-border security issues, including criminal and anti-social activities are discussed in bilateral institutional mechanisms set up with the Government of Nepal. Government of Nepal have assured us that they will not allow such activities to take place, and will render their full cooperation to address such problems

Mansukhbhai D. Vasava: *Both in Bangladesh and Nepal anti-Indian activities are going on. In reply to the question the Minister said that several steps to strengthen the border such as border road construction, fencing, and deployment of security forces have been taken. Yet after so many*

steps thousands of infiltrators from Bangladesh and Nepal are coming in. Is the Government aware of that? What steps are being taken to stop this?

Shri Pranab Mukherjee: The hon. Member is aware of the fact that so far as Nepal is concerned, there is trade and transit treaty with Nepal and people can come freely from Nepal to India or go freely from India to Nepal. So far as Bangladesh is concerned, it is true that some infiltration, illegal migrations are taking place. We have taken up these issues with the Bangladesh Government

Apart from taking it up with the Bangladesh Government, we have also taken certain preventive steps, which I have referred to in the Statement, including fencing, strengthening the border, construction of the border roads. All these measures are to prevent illegal migration from Bangladesh.

Shri Mansukhbhai D. Vasavan: *The Bangladesh and Nepalese governments have only given an assurance. But anti-Indian activities are going on. Are those governments cooperating in checking infiltration and the illegal activities in our country and whether the government is aware of these activities? If yes, What steps the government is taking to stop those activities?*

Shri Pranab Mukherjee: Sir, the hon. Member is confused between Nepal and Bangladesh. Sir, as I have mentioned to you, there is no question of illegal migration from Nepal because people can come here, and there is free movement.

So far as Bangladesh is concerned, yes, illegal migration is taking place, and in order to prevent that, throughout the border of 4,096 kilometres we have taken certain steps to prevent it. In respect of anti-India activities indulged by some insurgent groups, we have taken it up with the Bangladesh Government. During my last visit to Bangladesh on 19th February, I have received an assurance from the highest in the Government that they would not allow the Bangladesh territories to be used by persons inimical to India, and I hope that they will keep their commitment.

Shri Hari Singh Chawda: *The whole country is aware of the infiltration and militant activities from across Nepal and Bangladesh. Sir, I want to know how many infiltrations have taken place from Bangladesh? Out of these how many have been sent back? What steps have government taken to stop this?*

Shri Pranab Mukherjee: Sir, there is no firm estimate about the illegal

migrants. But at one point of time, a figure was assessed, and about 15 to 16 lakh of illegal migrants are still staying in India. As the hon. Member would appreciate, illegal migrants do not stand in the queue and say: "I am an illegal migrant. I am going to enter into your country." Therefore, these are all estimates.

So far as Nepal is concerned, perhaps the hon. Member is aware of the recent development. It is true that for more than a decade, the Maoists Groups spread their activities in Nepal and they believed in armed revolution. But in the latest development in Nepal, the Maoists have given up violence. The armed cadres are now put in different cantonments; they are quarantined. They have surrendered their arms and those are deposited under the supervision of the UN representatives. The most important part of it is that the Maoists have declared that they would join the mainstream of the Nepalese political activities, and they have joined so. Therefore, we do hope that these kinds of activities will come to an end.

Md. Salim: Sir, there is no doubt that the Government has taken up this matter with the Nepal and Bangladesh Governments on a very long-term basis so that the land of Nepal and Bangladesh cannot be used for anti-India activities.

But despite that, we also know that such things are happening, and particularly the North Bengal and the North-Eastern States are affected. Now, there are a lot of changes inside Nepal and Bangladesh. So, with this changed domestic and political scenario in their respective countries, whether the Government of India has taken up with renewed vengeance, keeping in mind the changed scenario with the Governments of Bangladesh and Nepal. Only reiterating or renewing the same old assurance would not help much. But some effective steps can be taken to curb the anti-India activities utilizing the soil, particularly of Bangladesh.

Shri Pranab Mukherjee: Sir, it is a continuing exercise. As I mentioned, even during the last talk between our BSF and the BDR, we had given them a list of 176 Indian insurgent group camps, and a list of about 339 criminals. They had also given us a list of some criminals, who are from Bangladesh committing crimes. Those criminals are not political activists or extremists; they are ordinary criminals; and they have also taken shelter in some parts of India including Kolkata. So far as India is concerned, whenever we get the information, we promptly act on it. We have requested the Government of Bangladesh also to act on it, and I do hope that it would be possible for the Government of Bangladesh to take appropriate action.

Sir, in the course of discussion, particularly, when their outgoing Prime Minister, the former Prime Minister visited India, I, myself as the then Defence Minister, raised this issue and requested her to take note of the existence of the problem. Sometimes, it happens that they simply deny the existence of the problem. Therefore, I had suggested to their former Prime Minister to recognize the problem, because once you recognize the existence of the problem, then perhaps, ways to solve the problems could be found out. I do hope that the new dispensation in Bangladesh will adhere to their commitment, which they have made to us.

Shri Mohan Rawale: *I am surprised at the Minister's reply. He said 15 – 16 lakh Bangladeshis have come. When Bangladesh was created, lakhs of our soldiers and political leaders sacrificed their lives. The previous NDA Government and before that there was the Congress Government, it was then stated that one to two crores of Bangladeshis have come here. But you are only mentioning 15 – 16 lakhs. I want to know what strategy has been adopted to send them back. One way is to check their birth certificates. These should be Indian. But if you check you will find these are from Bangladesh. Please verify it; only then you can send them back.*

I want to mention another point. You have often admitted that there are anti-Indian camps in Bangladesh. They get trained there and come to our country. Is Bangladesh destroying those camps? If not, what steps are you going to take in this connection?

Shri Pranab Mukherjee: Sir, the hon. Member will have to appreciate that when we deal with a sovereign country, we have to depend on them. I cannot enter into their territory and destroy the camps. It is not possible. Therefore, it will have to be understood... (*Interruptions*)

Mr. Speaker: Hon. Member, please, let him reply.

Shri Pranab Mukherjee: Secondly, the hon. Member should also know that it was a commitment by the independent country starting from Pandit Jawaharlal Nehru to Mrs. Indira Gandhi that those, who came from the then East Bengal, East Pakistan to India up to 24th March, 1971, will be extended the Indian citizenship automatically. But if you start talking that every Bengali-speaking person is an illegal migrant, in that case I would also come in that category! ... (*Interruptions*)

Shri Mohan Rawale: I never said like that... (*Interruptions*)

Mr. Speaker: Do not record anything except the answer of the hon. Minister.

(Interruptions) ... U

Shri Pranab Mukherjee: Therefore, let us assume... (*Interruptions*) I have already stated about the figure that 'it is estimated.' Nobody can give you the accurate figure. If we could give you the accurate figure, then we would have prevented them. These are the estimates. It may be 10 lakhs; it may be 15 lakhs; it may be 20 lakhs... (*Interruptions*)

PROF. VIJAY KUMAR MALHOTRA: But, Sir... (*Interruptions*)

MR. SPEAKER: Nothing would go on record except the reply of the hon. Minister.

(Interruptions) ...

SHRI PRANAB MUKHERJEE: Let us not go into that aspect... (*Interruptions*) But this also is being denied by the Government of Bangladesh. Therefore, the steps, the physical preventions, which we are taking, I hope, would prove to be very effective, and with the cooperation of their Government, it would be possible for us to prevent them.

U Not recorded

(Text in italics is translated from Hindi)



224. Joint Press Statement issued on the occasion of Foreign Office Consultations between India and Bangladesh.**Dhaka, June 26, 2007.**

The Foreign Secretary of India, H.E. Mr. Shivshankar Menon, visited Dhaka during June 24-27, 2007 at the invitation of the Bangladesh Foreign Secretary, H.E. Md. Touhid Hossain, for Foreign Office Consultations. During his stay in Dhaka, the Foreign Secretary of India called on H.E. Dr. Fakhruddin Ahmed¹, Chief Adviser of the Caretaker Government, H.E. Dr. Iftekhar Ahmed Chowdhury, Foreign Affairs Adviser and Gen. Moeen U. Ahmed, Chief of Army Staff.

2. The two Foreign Secretaries held constructive and forward-looking discussions on issues relating to security, peaceful management of borders, water resources, economic and trade matters, cultural relations and regional cooperation. The discussions were held in a warm and cordial atmosphere².
3. The two sides emphasized the need for enhanced security cooperation particularly information sharing. They reiterated their

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1. During his call on the head of the Caretaker Government Fakhruddin Ahmed, Mr. Menon was informed that Bangladesh expected increased Indian cooperation on key issues, particularly water sharing. Dr. Ahmed told Mr. Menon that the meeting at the level of Foreign Secretaries should be held on a regular basis for stocktaking on bilateral relations. He thanked the Government and the people of India for providing \$10 million assistance for the victims of recent landslips in Chittagong. He conveyed his warm wishes to Prime Minister Manmohan Singh and said he looked forward to meeting him. "Bangladesh, as a matter of principle, does not allow its territory to be used by any force inimical to the interest of India," remarked the caretaker chief during the talks. He said the spirit of cooperation could help resolve many issues and strengthen ties. Dr. Ahmed welcomed the announcement Dr. Singh made during the 14th SAARC summit that India would allow duty-free access to the products of the LDCs (least developed countries) in the region, including Bangladesh, by December 2007.
 2. This round of talks was taking place after over two years. Mr. Menon told reporters at the airport on arrival that he intended to hold substantive discussions on bilateral issues and explore possibilities of taking the ties forward. He hoped to take the relations on an "irreversible higher trajectory." He said: "As a friend and close neighbour, India is deeply interested in Bangladesh's peaceful, democratic and stable development. India wishes Bangladesh continued economic progress and prosperity. We intend to explore how we can further strengthen our bilateral cooperation, and also discuss other matters of mutual interest." Before the talks began a Bangladesh Foreign Ministry press release had said: "The government is of the view that the visit of the Indian Foreign Secretary will be yet another important opportunity to carry on the process of constructive and forward-looking engagement between the two countries."

commitment not to allow their territories to be used in any manner for activities inimical to the other. In this regard, it was decided to hold the next meeting of the Home Secretaries at a mutually convenient date. The two sides agreed to carry forward the engagement on the implementation of the 1974 Land Boundary Agreement and consider practical ways to facilitate its early implementation taking into account the ground realities. They welcomed the recent visit of the members of the Joint Boundary Working Groups to select enclaves and adverse possessions in Bangladesh and India. Both sides expressed their commitment to facilitate the early resolution relating to completion of demarcation of land boundary between the two countries, exchange of enclaves and adverse possessions.

4. Discussions in the area of water resources included sharing of common river waters, minor irrigation and drinking water schemes, data on flood forecasting and warning, dredging and river bank protection works. It was agreed to hold the meeting of Joint Committee of Experts headed by respective Water Resources Secretaries to be followed by the meeting of the Joint Rivers Commission at the earliest.
5. Keeping in view the mutuality of interests, the two sides underscored the need to take steps to facilitate trade and economic cooperation. Regarding the announcement of duty-free access to products of LDCs at the 14th SAARC Summit, the Indian side conveyed their intention to implement the scheme in phases by December this year. The two sides discussed several issues relating to tariff and non-tariff barriers, coordinated development of land customs stations, establishment of border haats and facilitation of investment. The need to improve rail, road, river and air connectivity between the two countries was underlined. While taking positive note of the decision to start a passenger train service between Dhaka and Kolkata, it was agreed that the railway authorities should meet soon to finalise the operational modalities. Proposals related to additional bus services linking the two countries as well as improving the functioning of Inland Water Trade and Transit protocol were considered. The two sides also signed a Memorandum of Understanding between Bureau of Indian Standards (BIS) and Bangladesh Standards and Testing Institute (BSTI) to facilitate technical cooperation in the fields of standardization, certification, testing, measurement and quality assurance systems. It was agreed that the Joint Working Group on Trade would be convened soon.

6. The two sides discussed various issues related to regional cooperation under SAARC and BIMSTEC. Highlighting the importance of early implementation of the decisions taken at the 14th SAARC Summit, they agreed to stay engaged so that the next Council of Ministers meeting in New Delhi later this year can take substantive decisions. Both sides also agreed to intensify cooperation in trade and other related fields under BIMSTEC before the next summit in New Delhi early next year. The two Foreign Secretaries also expressed satisfaction at the level of understanding and cooperation that exists between the two countries in various multilateral fora including the United Nations.
7. The two sides agreed that India and Bangladesh have a shared destiny. Both sides agreed to remain engaged with a view to further expand and strengthen bilateral relations for mutual benefit in accordance with the wishes of the two peoples.
8. The Foreign Secretary of India, H.E. Mr Shivshankar Menon deeply appreciated the warm welcome and gracious hospitality extended to him and his delegation during their stay in Bangladesh. The Indian Foreign Secretary extended an invitation to the Foreign Secretary of Bangladesh for the next round of Foreign Office Consultations to be held in New Delhi next year. The dates for the meeting would be decided through diplomatic channels.



225. Speech by Foreign Secretary Shivshankar Menon at the Bangladesh Enterprise Institute: "Creating a South Asian Community: India-Bangladesh Relations".

Dhaka, June 27, 2007.

Ambassador Farooq Sobhan,

Ladies and Gentlemen

Thank you for arranging this event and for this opportunity to speak to such a distinguished audience. I know that Ambassador Sobhan changed his plans to make this possible. Your institute has played an important role in innovative policy approaches on a wide range of domestic and international issues. It is an honour to be here.

I thought I would speak today on the idea of a South Asian community, where we stand in that quest, and on how India and Bangladesh, as two important countries of the region, can help to realize this vision.

The Idea

The idea of a South Asian community has a long history. It was partly an instinctive reaction to our history in the late nineteenth and the first half of the twentieth century. More than that, it recognizes that historically our periods of prosperity and well-being have come when the subcontinent was connected to itself and to the rest of the world. Our best times economically, politically and culturally, have been when we worked together and were linked together. It was then that we managed to realize our potential. This was the impulse that led Bangladesh to suggest the formation of SAARC and to host its first summit.

Given the situation we found ourselves in, it was natural that thinking South Asians would envisage such a community as a means to free our people from poverty, enabling each of our citizens to lead a life of dignity, free from hunger and illiteracy.

The objective basis for such a community exists. In comparison to other sub-regions in the world, our subcontinent probably has more affinities and common historical experience than most.

That is why Prime Minister Manmohan Singh has said that we need to work for a South Asian Community where borders have ceased to matter, and where there is an unhindered flow of goods and peoples, culture and

ideas. We believe that the destiny of the people of South Asia is interlinked. It is not just our past that links us, but our future too.

Our leaders have endorsed the vision of a South Asian community formally at successive SAARC summits since 1998. At the fourteenth summit in New Delhi this April they envisioned a South Asian community where there was a smooth flow of goods, services, peoples, technologies, knowledge, capital, culture and ideas in the region.

The Present Opportunity

Unfortunately, our real progress towards this goal has been uneven and limited by the intervention of political factors. In 1948 over 34% of our trade was within the Indian sub-continent. Today it is less than 6%. This is the lowest amongst all the regions in the world, except perhaps for sub-Saharan Africa. SAFTA and other measures which would have enabled us to break out of the patterns of the recent past are only now being operationalised, and even then not by all of us. The list of future steps remains long.

Fortunately there is recognition within the region today of an opportunity to break out of the sterile patterns of some of our relationships in South Asia, and to put in place the building blocks of a true South Asian community.

This opportunity arises because of changes in India, changes in our neighbours, and a relatively benign international environment. South Asia is today one of the fastest growing regions of the world.

India has seen sustained economic development, with about 6% growth over the last twenty-five years, accelerating in the last three years to over 8%. The resulting changes in the structure and competences of the Indian economy, and the scale and pace of changes in India, have meant that we in the subcontinent have complementarities that never existed before. The potential to work together for mutual economic benefit is greater than ever before.

We believe that India's economic growth offers unique opportunities to our neighbours, who can become stakeholders in this expanding economy. Some of our neighbours have been quick to recognise the benefits of cooperation. The India-Sri Lanka FTA, which became operational in 2000, quadrupled bilateral trade in six years, (from US\$ 658 million in 2000 to US\$ 2.3 billion in 2006), with Sri Lankan exports growing much faster than India's and thus redressing the balance of trade somewhat. The FTA attracted Indian investment to Sri Lanka, made Indians the largest source

of tourism income, and converted Sri Lankan Airlines into the largest foreign airline operating in India, with 90 flights a week! That FTA would not have been possible without the changes in the Indian economy after 1991, and that opportunity is available to India's other neighbours.

India's preferential trade agreements with neighbours do not seek reciprocity and recognize asymmetry. At the recent SAARC Summit Prime Minister Manmohan Singh announced that SAARC LDCs like Bangladesh will enjoy zero-duty access to the Indian market by the end of this year. We will also prune our sensitive list of items considerably. We are well on course to implement these commitments.

Secondly, our neighbours have seen sustained economic growth and change, despite some difficult political situations. I do not have to tell you about the changes in Bangladesh and your own remarkable economic performance. High growth rates in the region are an opportunity to advance together through trade, open borders and economic cooperation, to bring about shared prosperity between India and her neighbors. Between us economics is no longer a zero-sum game.

The rate at which trade in South Asia has grown recently, (and the extent of the unofficial trade), suggest that the potential complementarities created by recent changes are still far from being tapped. Some estimates say that while official two-way India-Bangladesh trade in 2005-6 was US\$ 1.83 billion, informal trade may be twice as much again.

Interestingly technological changes such as the internet and satellite TV have also meant that today there is increased exposure and interaction among the peoples of our countries, breaking down stereotypes and building popular support for cooperative relationships.

Finally the international environment is also conducive. The post Cold War world that we are in today is one where globalization and other trends have led to a degree of unprecedented inter-dependence between the major powers, where they are therefore engaged in both competition and cooperation simultaneously. A new international balance of power is evolving and there is a window of opportunity which can be helpful to our quest for development.

The SAARC Summit in April proved some of these propositions. It was easily the least contentious and smoothest summit that we have seen, and was productive and practical. Afghanistan became a formal member,

decisions were taken on establishing a South Asian University and a South Asia Food Bank, and the regional multi-modal transport study was approved. We are now working on concrete projects for implementation by SAARC in energy, food, environment and water (including flood control).

It therefore seems that a combination of factors has created a window of opportunity for us to remake our relationships in the subcontinent.

Challenges

This is not to say that there are no obstacles to our realizing the vision of a South Asian community. If the opportunities are economic, the challenges that come to mind immediately are primarily political. Terrorism is one such. A South Asian community can hardly be realized if terrorist violence and the politics of hate and confrontation continue in our subcontinent.

Common threats, like fundamentalism and terrorism, which recognise no boundaries, must be confronted together. India is ready to work with together with her neighbours in this quest. We must confront such obstacles with our united efforts.

Political transitions also pose a challenge. Many of us are in the midst of political and socio-economic change. It is for each of our countries to choose its own political path. But these choices also have broader consequences and effects. India will not interfere in the internal affairs of her neighbours, believing that decisions on their own future are best taken by the people of these countries themselves through free, fair and democratic political processes. We are close neighbours with shared destinies. It is natural, therefore, that India sees a peaceful, democratic and prospering neighbourhood as being in our own interest. Security, democracy and economic development are the best answers to common threats like fundamentalism and terrorism and the political misuse of religion.

The vision of a South Asian community must include as an essential component the idea of a South Asia free from violence and disputes, at peace with itself, free to concentrate on its primary tasks of abolishing poverty, improving the life of its people as well as seeking common prosperity.

The Way Forward

The successful outcome of the 14th SAARC Summit in New Delhi in April this year is an encouraging sign that our countries recognise the value of

mutual cooperation. To realize the vision of a South Asian community several steps could be taken in tandem.

We need to work on improving physical and economic connectivity and our connectivity of the mind. Dismantling barriers will enable not only cross-border investment flows and transfer of technology, but also facilitate market access to a wide range of small and middle-sized businesses that may not be able to enter developed markets. In our case, Bangladeshi handicrafts, ethnic clothing, Jamdani sarees, marine, poultry and dairy products, fruits and vegetables could then be easily exported to India.

Then there needs to be a freer flow of people across the region to build upon the cultural and civilizational affinities that we enjoy. There is also a need to work together to deal with the challenges of terrorism and other threats to the life, peace and security of all our peoples. No country can pretend that one man's terrorist is another's freedom fighter. No government can pretend that what happens across the border is not going to hurt it.

Be it poverty, be it disease, be it natural disasters, or future challenges such as energy security, food security, water or climate change, the destiny of South Asia is inter-linked and we must learn to work together to deal with these challenges.

India - Bangladesh Relations

A few words on India-Bangladesh relations. We see better relations between India and Bangladesh as integral to a South Asian community. After all it was Bangladesh's vision, which put forward the idea of SAARC.

A peaceful, stable, democratic, secular and prosperous Bangladesh is in India's own national interest. Our unique relations are based on shared history, culture, traditions and common language and literature. India attaches the utmost importance to strengthening our friendly and cooperative ties with Bangladesh. I also wish to reiterate that India fully respects Bangladesh's independence and sovereignty. The people of Bangladesh and their political parties should resolve outstanding issues through discussions and dialogue among themselves, rather than through external intervention or pressure.

It is natural for close neighbours to have problems. Intimacy is not always easy. In the last few days, during our foreign office consultations and in meetings with your leaders, we have sought to review the entire gamut of our relationship, the positive and the complicated, and sought mutually

satisfactory solutions or ways forward together. We have discussed issues such as security, our land boundary, the rivers that join us and other emotive issues. We have also looked at the complementarities that creates our opportunity.

I see positive trends in our relations with Bangladesh and am confident that these will become stronger in the coming years. Our commonalities far outweigh our differences. About half a million Bangladeshis visited India legally last year. Visitors between us always return with a profound impression of inherent goodwill. Businessmen from both countries are increasingly discovering that it is most convenient to procure goods and services from each other, rather than from more distant sources. I am particularly pleased by the sharp increase in Bangladesh's exports to India in the last two years.

Bangladesh's geographical location and its common border with a number of Indian States offer considerable opportunities. Over 80% of our bilateral trade is currently routed through Benapole-Petropole. We hope to diversify, opening additional routes and Land Customs Stations. We hope that the Kolkata-Dhaka passenger train can commence operations soon and will be the precursor for a comprehensive network of bus, train and ferry links. We can also cooperate to revive our waterways, which once carried so many of our goods. India is willing to improve air connectivity by establishing daily air services to our metropolitan cities, Delhi, Mumbai, Chennai, Bangalore, Hyderabad and Kolkata, and to 18 other destinations across India.

The possibility of Bangladesh exploiting its strategic geographic location to position itself as a transportation hub for South Asia, South East Asia and China, by upgrading roads, railways and ports, has been articulated by prominent Bangladeshis, such as Nobel Laureate Mohammad Yunus and Prof. Rehman Sobhan, among others. Better connectivity can include linking national power grids, gas pipelines, and telecommunications, to overcome shortages in certain areas and create synergy.

India is prepared to work with friends in Bangladesh to take our bilateral relations to an "irreversible higher trajectory" and to strengthen cooperation in all spheres. We have revived existing mechanisms for bilateral dialogue and hope to intensify these exchanges. We look forward to identifying solutions to outstanding issues through friendly negotiations and to ensuring that the people of our countries can enjoy the fruits of vigorous interaction and buoyant linkages.

Conclusion

To conclude, I am optimistic about our future. Prime Minister Manmohan Singh has said that, "every Indian wants to live in a neighbourhood of peace, stability and prosperity. People in our neighbouring countries share the same aspirations". The common aspirations of our peoples provide the basis on which we can work together to usher in an era of peace and prosperity for our peoples. Let us remake our relations and remake our future.



226. Reaction of Official Spokesperson to questions on the arrest of Sheikh Hasina on corruption charges by the Bangladesh Authorities.

New Delhi, July 16, 2007.

Question: Is there anything on the arrest of Sheikh Hasina?

Official Spokesperson: Let me again say, as we have said earlier, as a close and friendly neighbour India would like to see a peaceful, stable and liberal democratic Bangladesh. India notes the roadmap announced by the Bangladesh Election Commission with regard to the next Parliamentary Elections to be held between October and December 2008. We hope that this roadmap includes reconstitution of the Election Commission, electoral reforms, preparation of electoral rolls and delimitation of constituencies, leads to early restoration of democracy in Bangladesh. It is our expectation that the people of Bangladesh will be able to participate in a process leading up to a free, fair, credible and democratic election. We are closely monitoring the internal developments in Bangladesh including arrests of high level politicians in Bangladesh. In all such cases, it must be ensured that there is no violation of due process as established by law and that basic individual rights are fully respected.

Question: Isn't it interference in the internal affairs of Bangladesh?

Official Spokesperson: I said we are closely monitoring the internal affairs. As a close and friendly neighbour, we have certain views.

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Question: Has Hasina been a friend of India?

Official Spokesperson: I think I have said all that I can say on the subject.

Question: Has any senior leader spoken to Sheikh Hasina considering that she has been in custody?

Official Spokesperson: I do not have any information.



227. Joint Press Statement issued at the end of talks between the Home Secretaries of India and Bangladesh.

New Delhi, August 3, 2007.

1. The Eighth Home Secretary Level Bilateral Talks between India and Bangladesh were held in New Delhi on 2-3 August, 2007 in a warm, friendly, positive and constructive atmosphere.
2. During the meeting, both sides approached all issues on the basis of mutual understanding and appreciation of each other's position and sensitivities, on the basis of reciprocity and mutual confidence. Both sides renewed their commitment to ensure that co-operation between the two countries is further widened, and to address issues of concern in a spirit of mutual understanding.
3. Both sides noted the exchange of high-level visits in the recent months, which had given impetus and momentum to the diversified cooperation between the two countries and the commitment of the Governments to move the bilateral relationship forward. Both sides have expressed the hope that the current round of talks would provided a great opportunity to boost their historical relationship and would lead to enhanced and visible mutual cooperation in various aspects of security, border management and capacity building.
4. Both sides strongly condemned terrorism and extremism and underlined the need to strengthen the existing bilateral arrangements by instituting new institutional mechanisms for enhanced cooperation and continuous and regular exchange of information to combat this menace. Both sides also agreed to revive the mechanism of the Joint Working Group (JWG) at the level of

Joint Secretaries in the Ministries of Home Affairs and decided that the meetings could be held at regular intervals alternatively in India and Bangladesh.

5. Pursuant to the discussions in the last Home Secretary level talks in August 2006, Bangladesh side has nominated JS (Political) as the nodal point for dealing with matters related to trafficking in women and children. In this regard, it was noted that the Indian side had already nominated Joint Secretary (CS) Ministry of Home Affairs for this purpose.
6. The Bangladesh side agreed to expedite their inter-ministerial consultations on the drafts of Extradition Treaty, Mutual Legal Assistance Treaty in criminal matters and the Bilateral Agreement on combating international terrorism, organized crime and illegal drug trafficking already with them.

(The Indian side requested for finalization of the draft before the forthcoming SAARC Home Ministers Conference in October 2007.)

7. Noting that terrorism is a common threat, it was reiterated that the use of the territory of either country would not be allowed for terrorist and criminal activities against the other country and that sustained cooperation and information sharing would benefit both the countries. Both sides agreed with the necessity of real time exchange of actionable information between the security agencies of the two countries, in addition to the existing mechanisms of information sharing between the BSF and BDR. The modalities of designation of nodal points would be decided separately by mutual consultations.
8. Both sides agreed to initiate swift action on information received about groups and elements and other fugitives from the law of either country taking shelter in the other country. India assured all possible assistance, within the law of the land, to the request made by Bangladesh in tracing criminals wanted for criminal activities in that country and are reportedly taking shelter in Indian territory. The Indian side repeated its request to Bangladesh to take deterrent action against Indian Insurgent groups and their members. The Indian delegation requested for expeditious action on red corner notice (RCN) subjects through enhanced interaction between the Interpol designated points. The Bangladesh delegation noted the request.
9. Appreciating the response of the Government of Bangladesh, after

the meeting between the Directors General of BSF and BDR in February- March, 2007 in permitting small development works posed by the BSF within 150 yards of the border, the Indian side requested for an early and positive response on its long pending request to permit construction of fence within 150 yards of the border to fill the gaps in about 250 places, which would help in effective border management and in checking the movement of criminal elements and illegal migrants. The Bangladesh Home Secretary appraised the Indian delegation about the Bangladesh position in this regard and said that this issue is being examined.

10. Both sides expressed satisfaction at the joint visit to a few enclaves and territories under adverse possession on May 29-30, 2007. The two sides agreed to hold the next meeting of the joint boundary working groups at an early date.
11. On the issue of river bank protection works, both sides recognized the humanitarian dimensions of this and some other rivers related issues and agreed to address them at the forthcoming meeting of the two water resources Secretaries i.e. scheduled to take place in Delhi on August 7-8, 2007.
12. Highlighting the desire of the peoples of both the countries for an early commencement of a passenger train service between Dhaka and Kolkata, the Indian side requested an early response to India's request for building a protective structure to sanitize the rail line between zero point and Gede railway station on the Indian side. The Bangladesh side conveyed that Indian request was under consideration and they would revert soon.
13. On the issue of incidents of border firing and death of unarmed civilians during such firings along the border, both sides expressed satisfaction at the improved situation along the border in the recent months and agreed to take appropriate steps to further improve the situation.
14. India noted with appreciation the clearance given by Bangladesh to its pending request to take a floating Border Outposts to Dhubri (Assam) through Bangladesh. Both sides also agreed to step up the riverine patrolling. The Indian side expressed its willingness to supply riverine patrolling vessels to Bangladesh in case such request is made.

15. Both sides expressed the need for initiating cooperation in the field of capacity building of police forces. The Indian side provided details of the training courses at various training institutions, which can be made available to Bangladesh. Similarly, NCB's expertise in capacity building in certain areas like precursor control, legal instruments etc. were offered.
16. Both sides agreed to carry forward the cooperation in the field of countering drug trafficking in the spirit of the Bilateral Agreement, 2006 between the two countries.
17. The talks ended on a note of satisfaction and commitment on both sides to carry the process of further widening and deepening bilateral relationship between the two countries forward in a significant and meaningful manner.



228. Response of Official Spokesperson to a question on Bangladesh.

New Delhi, August 27, 2007.

In response to a question regarding developments in Bangladesh, the Official Spokesman said: "We continue to watch developments in Bangladesh closely. As a friendly neighbour, India is interested in a stable, democratic and prosperous Bangladesh¹."

At this difficult time, it is our hope that the people of Bangladesh, their representatives, and their leaders will be afforded every lawful opportunity to take Bangladesh to the full restoration of democracy through peaceful, free and fair elections."



1. The Spokesperson was referring to the Supreme Court of Bangladesh extending the stay on a High Court's ruling granting bail to the Awami League leader, arrested on charges of extortion by military-backed government during its massive anti-graft drive. The full bench of the Appellate Division of the apex court headed by Chief Justice M Ruhul Amin, hearing a leave to appeal petition filed by the government, said the stay would continue till the High Court decides Hasina's plea challenging the move to charge her under the tough emergency rules in the trial court. She had contended that the alleged incidents of extortion took place long before Emergency was promulgated in January this year. Hasina, 60, was arrested on July 16 and kept in a makeshift jail at parliament complex, following complaints by Bangladeshi businessmen Noor Ali and Ajam J Chowdhury. The Supreme Court, however, granted Hasina seven more days to submit her wealth statement to the Anti-Corruption Commission (ACC) as demanded earlier by the powerful anti-graft body. The High Court had, while granting bail to Hasina on August 7 directed the government to explain why its decision to indict the ex-premier on two extortion charges under tough emergency powers rules "should not be declared illegal" and stayed a notice of the ACC seeking her wealth statement in another case. Hasina's main lawyer Rafiqul Haq said they would now seek disposal of the petition in the High Court.

229. Response by Official Spokesperson to a question on a front page article in the Bangladeshi newspaper "*Naya Diganto*" regarding a secret meeting between EAM and some Bangladeshi politicians/activists.

New Delhi, August 29, 2007.

In response to a question on a front page article in the Bangladeshi news paper "*Naya Diganto*" regarding a secret meeting between EAM and some Bangladeshi politicians/activists, the Official Spokesperson said:

"The story in the Bangladeshi newspaper is misleading, motivated and malicious. The External Affairs Minister does not meet with visitors from Bangladesh to interfere in matters relating to internal political developments in that country. India has and will respect the sovereignty of Bangladesh, which is a close and friendly neighbour."



230. Response of Official Spokesperson to questions about the arrest of Begum Khalida Zia.

New Delhi, September 3, 2007.

We have seen reports to this effect. We would hope that the people of Bangladesh will be enabled to choose their representatives in a free, fair and democratic process. In our view, the early and full restoration of democracy, due process of law and respect for individual rights will contribute to the evolution of a stable, democratic and prosperous Bangladesh.



231. Press Report of the agreement between India and Bangladesh on construction activities in No-Man Land along the India - Bangladesh border.

Dhaka, October 25, 2007.

On October 25, 2007, ending a long-standing irritant in bilateral ties, Bangladesh and India agreed to the proposal for construction activities in no-man's land along the border. The consensus on building the infrastructure in no-man's land was reached on the first day of talks between the paramilitary border guards of the two countries, BSF Director General Ashish Kumar Mitra said.

As per the consensus, both sides agreed to construct 27 infrastructures within 150 yards of the border to ease the people's movement from the two countries, he said

This marks a change in the stand of Bangladesh which had been resisting India's proposal for long.

Mitra, who met Foreign Affairs Adviser of the interim cabinet Iftekhar Ahmed Chowdhury, said India would continue to extradite suspected Bangladeshi criminals back home despite the absence of an extradition treaty between the two cou

"The suspects, who are living in India and facing cases, would be sent back to Bangladesh," he said.

Mitra said a list of 10 to 12 such suspects was under consideration of the Indian authorities while 12 such suspects were already in custody for repatriation after necessary formalities.

Indian authorities had earlier this month for the first time handed over three Bangladeshi criminals to Bangladesh while officials said they were expecting to return two more high-profile wanted gangsters Tanvirul Islam Joy and Harris Ahmed alias Hares from Kolkata soon.



232. Suo-moto statement of External Affairs Minister Pranab Mukherjee in Parliament on the cyclone in Bangladesh.**New Delhi, November 19, 2007.**

I rise to inform the House about the recent cyclone and the devastation it has caused in neighbouring Bangladesh.

As honourable members would be aware, a severe cyclone hit Bangladesh, especially its coastal districts, on 15th November, causing in its wake death and devastation. More than 2300 are reported dead as of now and several thousands rendered homeless. An estimated 2.7 million people have also been affected, thousands of livestock killed and standing crops and infrastructure severely damaged.

Rashtrapatiji and Prime Minister have written to their counterparts in Bangladesh expressing our distress at this tragedy and conveying our deep condolences and our readiness to assist in the relief efforts. Yesterday, I have spoken to Dr. Iftexhar Ahmed Chowdhury, Foreign Adviser to the Caretaker Government of Bangladesh and mentioned to him our readiness to send relief supplies to supplement the efforts of the Government of Bangladesh.

As Bangladesh struggles to come to terms with this devastation, in keeping with our close ties and our empathy with the friendly people of Bangladesh in this hour of need, the Government of India has decided to respond immediately with a comprehensive relief package. Our offer will consist of relief material required urgently by those affected. This package will consist of medicine, food items, milk powder, tents and blankets, first-aid kits and other relief items.

The Honourable Members will recollect that India has always responded readily to such requests from Bangladesh earlier, the most recent one being a few months ago when considerable devastation was caused by mudslides during the monsoons. We are already in the process of supplying essential food items to Bangladesh. We will continue to extend whatever assistance we can this time as well¹.



1. Earlier on November 17, the Official Spokesperson had briefed the media on the message that the Prime Minister had sent to Bangladesh Chief Advisor Dr. Fakhruddin Ahmed expressing the grief of the people of India as well as his own at the devastation caused

by the hurricane on November 15 and promised India's help in the relief process.

On the 18th November the President of India, Smt. Pratibha Devisingh Patil in her message to the President of Bangladesh, Professor (Dr.) Iajuddin Ahmed said she was deeply saddened to learn about the tragic loss of lives and substantial damage to property in the aftermath of the hurricane and conveyed her deep condolences to the President and the people of Bangladesh. Smt. Patil also said she was confident that, "as always, the people of Bangladesh will face this tragedy with courage and fortitude".

External Affairs Minister too spoke to Dr. Iftekhar Ahmed Chowdhury, Foreign Adviser to the Government of Bangladesh and indicated India's readiness to send relief supplies to supplement the efforts of the Government of Bangladesh.

On November 19 the Spokesman of the Ministry of External Affairs made the following announcement of relief supplies on behalf of the Government of India: "As Bangladesh struggles to come to terms with this devastation, in keeping with India's close ties and empathy with the friendly people of Bangladesh in this hour of need, the Government of India has decided to respond immediately with a comprehensive relief package of US \$ 1 Million. This package will consist of relief material required urgently by those affected, including medicine, food items, milk powder, tents and blankets, first-aid kits and other relief items.

India has always responded readily to such requests from Bangladesh earlier, the most recent one being a few months ago when considerable devastation was caused by mudslides during the monsoons. India is already in the process of supplying essential food items to Bangladesh. India will continue to extend whatever assistance it can in this hour of need."

On November 28th it was announced in New Delhi that EAM Pranab Mukherjee would personally visit Dhaka and handover relief supplies and offer the sympathies of the Government of India and the people of India to Bangladesh people and its leaders.

233. Suo moto Statement by the Minister of External Affairs Shri Pranab Mukherjee in Parliament, regarding 'Stay of Ms. Taslima Nasreen in India'.

New Delhi, November 28, 2007.

I rise to inform the House of the Government of India's stand on an issue which has attracted considerable public attention in recent days. As Hon'ble members are aware, noted Bangladeshi writer Ms. Taslima Nasreen has been in India for some time. Throughout history, India has never refused shelter to those who have come and sought our protection. This civilizational heritage, which is now government policy, will continue, and India will provide shelter to Ms. Nasreen. Those who have been granted shelter here have always undertaken to eschew political activities in India or any actions which may harm India's relations with friendly countries. It is also expected that the guests will refrain from activities and expressions that may hurt the sentiments of our people¹.

While these guests are in India, the Union and the State Governments provide them protection. This policy will also apply in Ms. Taslima Nasreen's case.



1. The problem arose about the stay of the writer Taslima Nasreen in Kolkata because of her writings, which a section of the minority community found offensive.

234. Arrival statement by External Affairs Minister Pranab Mukherjee on his visit to Bangladesh.**Dhaka, December 1, 2007.**

On behalf of the people and the Government of India, allow me to express our deep sadness on the devastation caused to life, property and infrastructure in Bangladesh by the cyclone of November 15. As a mark of our respect for those who lost their lives, and as a symbol of the shared sense of loss that we, as a nation, feel with your people, our Parliament expressed its sorrow in a resolution on November 19 and observed a moment of silence.

2. India has always attached high importance to its relations with Bangladesh. With Bangladesh, we share not only a common history of struggle for freedom and liberation but also enduring feelings of civilisational, fraternal, linguistic and cultural ties. It is, therefore, but natural that, like always, we stand by Bangladesh in its efforts to rebuild the lives of those affected by the cyclone.
3. On hearing of the calamity, India has already rushed some immediately required relief assistance like medicines, ready-to-eat meals, blankets, tents and portable water purifiers worth about Taka 11 crore. In response to Bangladesh Government's request, India has also announced a waiver of ban on exports of rice to Bangladesh for 50,000 tons of rice. In addition, 20,000 tons of rice is being sent by sea to Chittagong. In fact, India's total relief assistance to Bangladesh this year so far amounts to more than Taka 270 crores.
4. Given the magnitude of the natural calamity, I would like to make two more announcements today:
 - a) One, India has decided to waive the ban on export of rice to Bangladesh for an additional five lakh tons of rice; and
 - b) Two, India would propose to the Government of Bangladesh its willingness to adopt ten severely affected coastal villages for rehabilitation.
5. I would be discussing the details of these in my meetings today. I would be paying a courtesy call on the Hon'ble Chief Adviser to Caretaker Government, H.E. Dr. Fakhruddin Ahmed. I would be holding talks with my host, the Adviser on Foreign Affairs, H.E. Dr.

Iftekhar Ahmed Chowdhury, who has been kind enough to receive me personally here. I would also be undertaking a brief tour of the cyclone-affected areas and meet some of the victims.

6. Ladies and Gentlemen, I have an old association with this historic city and its resilient people. I bring the solidarity of my country in your hour of need, and an assurance that as a friendly neighbour, India would always be interested in a stable, prosperous and democratic Bangladesh.



235. Statement by External Affairs Minister Pranab Mukherjee to the Bangladeshi media prior to departure from Dhaka.

Dhaka, December 1, 2007.

First of all, I would like to express my gratitude to you for being present here in such a large number. Since my arrival in the morning, I am having some limited interaction with you and I told at the airport that I will have interaction with you before I depart and after I visit the Cyclone-affected areas. After my arrival, I made a brief arrival statement at the airport itself. Some of you might have been present there. There, I announced two programs in which we are participating. As you know, currently, India's policy is we do not allow rice exports to any country. We have put a ban on rice export because the factor is demand-supply. The production which you will have is just above our requirement, so we decided that there should be a ban. But after the Cyclone when we got the report and had some discussions with the Bangladesh authorities, a suggestion was made to us that we should lift the ban. So we have decided, that only in respect of Bangladesh, this ban will be lifted to the extent of 5 lakh tons of rice.

I come from the other part of Bengal, which is part of India, therefore I know the food habits, the agricultural system here that the par-boiled rice which is taken by the people of Bangladesh, like the people of West Bengal, that is relatively cheap also, so it could be possible to meet part of the shortfall which has been caused by the devastating Cyclone. I visited some of the affected areas, but as I landed at Sharankhola and visited the camp there, where a large number of people are staying. Various relief arrangements are being made particularly to provide potable water because the water has been contaminated to a great extent. So, the pure drinking water is

being made available. Some arrangements have been made and 2 rehabilitation plants have been established in two different areas. On my arrival at Barisal airport, a detailed briefing was given to me by the authorities. Some of the officers like General Matin went with me to the affected areas and also briefed me about its history.

Advisers who were present there, the Army officers as well as civil officers, briefed me in detail about the various operations and I must commend both the residents of the people of Bangladesh about how bravely and courageously they have faced this devastating challenge. It speaks of their courage, fortitude and determination to face the challenges. At the same time, the administration has responded to the challenges adequately and various steps have been taken. I do hope it would be possible for them to tackle the problem.

In the morning, I had a discussion with Chief Adviser Dr. Fakhruddin Ahmed and after that, I had a discussion with my counterpart Foreign Affairs Adviser Iftekhar Ahmed Chowdhury and we discussed about the proposals for lifting the ban on export only for Bangladesh for 5 lakh tons of rice. Another proposal I have suggested is that 10 villages which are worst affected by the Cyclone are to be identified, and Government of India will take the responsibility of bearing the entire cost of reconstruction. The details have to be worked out in consultation with the Bangladesh Government what agencies will be operating, what would be the modalities of this will depend on how they will like to execute this. We will bear all the expenditure and this will be all comprehensive infrastructure, construction of roads, school building, construction of the Cyclone shelters, other type of health care, other type of activities which are needed, which are the necessities of the villagers those should be provided in these 10 villages. It is not very big from the rehabilitation point of activity but it is just some sort of symbol and a good gesture from the people of India.

One thing has been clearly established by this disaster that natural disaster does not respect any political boundaries. People suffer equally, therefore, we cannot prevent but what we can do is that we can stand by each other at the time of their distress and at the time of their need. My visit is precisely because of this. I suggested to my colleague Dr. Iftekhar Ahmed, when I met him at Kampala on the occasion of Commonwealth Heads of Governments Meeting. There I suggested to him I was bit hesitant, hesitant not because of any other thing, I knew that the administration will be totally busy at this point of time, so I did not want to cause any inconvenience to

them and to disturb their daily routine. So I requested him that if you do not find any inconvenience I would like to go and visit some of the areas. I cannot do much as my going is not going to either bring back the lives of the people which have been lost or the damage which has been caused, but as it happens in our social lives when somebody is in difficulty, people come and stand by the persons affected. It is simply that at this hour of distress, I would like to stand by the people of Bangladesh to assure them that friends, you are not alone and we are also with you in our limited capacity whatever we can do we shall try to do that.

I have come here to convey this message and I am really grateful to them, that despite their busy schedule, they have been able to accommodate me, they have been able to see me and I had the time to discuss with them. The purpose was absolutely relief related, Cyclone-relief related because during the last couple of months since I took over External Affairs Ministry, I had interaction with my counterpart Foreign Affairs Adviser Iftekhar Ahmed Chowdhury on several occasions at the margin of meeting of the Commonwealth Heads of Government meeting, at the conference of ASEM, at the conference at Manila of ASEAN and East Asian Summit, at the margin of the United Nations General Assembly session. These are the occasions, apart from the discussions which we had at the 14th SAARC Summit which took place in April, 2007. Next week, we are going to hold the 29th meeting of the SAARC Council of Ministers, which will be held in Delhi. I have already extended invitation to the Foreign Affairs Adviser and he will be coming here. There also, we will have discussions so we did not devote much time on the bilateral discussions because this is not the time or occasion. Thank you very much. Now I leave the floor to you.

QUESTION & ANSWER SESSION:

Question- 1

Mr. Shamim Ahmed, UNB

There is perception that Cyclone-Sidr was the reflection of global warming. So, Bangladesh and the other LDC's like Maldives of Asia are going to be the victims of the climate change. How India would stand by the LDCs, whether India thinks that Bangladesh and other LDCs should be compensated because of the climate change and the developed countries that are responsible for polluting the atmosphere, whether those nations should come forward to help countries like Bangladesh and others?

EAM: There are two aspects to the question which you have put.

I entirely agree with you that this is an issue which the international community will have to address and that it is serious. It is not only that low-lying land near the coast is affected, as sea level is going up. These types of incidents are likely to take place even in future. I remember, in 1999, we had similar type of cyclone in Orissa coast and the entire city of Bhubaneswar was completely destroyed. I was telling this story to my counterpart that when I entered, it was the third day after the cyclone. When I entered into the residence of Chief Minister I could not enter, not to speak of going by car, I had to take the branch of one tree, jump from the trunk of tree just like the monkey as the way they move from tree to tree, in that way I had to enter into the residence of the Chief Minister in the capital city! Because, all the trees of the city were uprooted, completely the connection was destroyed, that was the type of devastation. Coastal areas, it is better not to speak of, village after village was completely washed out. Then we had the Tsunami, where some of the southern coastal districts were completely wiped out.

At that time, I was Defense Minister, it happened on the eve of Christmas Day. Next day I arrived at Car Nicobar. My entire Air Force base was wiped out; I was received by the Station Commander in his night clothes. When naturally some questions perhaps appeared on my facial expression, then later on I was told that when he heard some unnatural sounds then he came out of his house and he found that huge waves are coming and some little children were trying to run out. So, he rushed to them, put them in his Jeep and took them to a high place, which is relatively higher and when he tried to return, in between his entire establishment was wiped out. For 24 hours, he lived in the same night clothes, which he wore at the time. So that is the magnitude of the devastation which is caused by the natural disaster. Therefore, we shall have to adjust to it.

About the compensation, I do not know it may be very ideal, but who is going to pay compensation to whom? From the days of Kyoto Conference, we are trying to impress upon the industrialized countries that the commitment of the reduction of GHG, please undertake the responsibilities and the commitment, which you have made at Kyoto Conference. A number of countries have not even fulfilled it, therefore, we may express our desire that we should be compensated because of certain happenings for which we are not responsible, but I am little skeptical on that but I am surely quite convinced that this is an area where we shall have to work together.

I do hope at Bali Conference, which is taking place next week, the foreign

community, international community will be able to find some solution to this problem. As it happened in the conference which took place on 24th September at the initiative of UN Secretary General, thereafter another conference of the major Economists' which was held in Washington during that period at the initiative of President Bush. So, international community is aware of it but we must find a way out on how to tackle this problem.

Question- 2

Mr. Omar Khasru, Voice of America: Honorable EAM, you have said that you are waiving the ban on export of rice. I would like to know when would this ban be waived and how would the rice be distributed - whether through the Government distribution system or through the private bodies?

EAM: Immediately. I have already said that you suggest what modalities of distribution will be convenient to you. We do not want our private operators to pay. From our side, 2 public sector organizations MMTC and STC, they will procure in the market, but those who will like to buy it from Bangladesh- that can be Government agency or from private sector, which is designated by the Government, so that those issues and modalities will be worked out. So far as the date of implementation, the decision has been taken and notification will be issued almost immediately. So far as the additional 50,000 tons which we have committed already, that is additional. That is Government-to-Government aid.

Question- 3

Mr. Akbar Hossain, BBC BANGLA: Mr. Minister, you have said that considering the aftermath of the Cyclone in BD, India has decided to send 500,000 tons of rice. As you know, the price of rice is a big issue in Bangladesh at present. We all know that the price issue is determined based on the relation between demand and supply. Is there any chance that India can export the 5 lakh tons rice at a cheaper price, so that it is affordable for the BD people?

EAM: I only can say that based on quality, our (Indian) rice is the cheapest, compared to all other countries. This type of good quality rice is more expensive in any other country compared to India. We will have to export it at the market price. We will have to give subsidy in case we

intend to sell the rice at a rate lower than the market price. No Government will want to give such subsidies.

Question- 4

Mr. Masud Karim, JUGANTOR: Mr. Minister, the Indian military ship is coming to join the relief efforts, and if it is so, what type of activities will they do?

EAM: We had made a proposal to send helicopters to conduct rescue operations, if you think it is required. But your Government said that there is no need. So, there is no question of sending helicopters. The ships carrying the food items will leave BD immediately, after delivery of the relief items, as it is Government-to-Government aid.

Question- 5

Mr. Badiul Alam, NEWS TODAY

Mr. Minister, how do you see the presence of US Naval ships in the Bay of Bengal?

EAM: That is for the Bangladesh Government to decide and to comment. Who am I to comment?

Question- 6

Mir Mostafizur Rahman

Mr. Honorable Minister, you have said in the morning that India is interested in seeing a stable democracy in Bangladesh. Would you explain what you mean by stable democracy?

EAM: No, what I used were four phrases- we want stable, peaceful, prosperous and democratic Bangladesh, that is our desire. But, what type of system of administration a country would like to have depends on the people of the country.

Question 7

Mr. Abdul Majid, SAMAKAL

India is in the chair of SAARC, so is there any opportunity to get any assistance from SAARC?

EAM: This has no relation with the Cyclone, but already in the SAARC

summit it was declared by our Prime Minister that to all the Least Developed Countries belonging to SAARC, India will provide duty-free access for their goods and services to India. In respect of that, there is a negative list in respect of each country. The negative list talks are already going on to reduce the number of items in the negative list. We are going to have a meeting, the SAARC Council of Ministers' will be meeting on 7th and 8th December. I think this issue may be discussed there and if something emerges, you will come to know.

Question 8

Did you have any other bilateral talks during the meeting with our Foreign Affairs Adviser apart from the Cyclone issue?

EAM: We had some discussions on how to enhance and expand our bilateral relations and how to resolve the issues through having dialogue and discussions. But I have already said that this visit was mainly focused on the Cyclone and how the relief operations may be undertaken. But, while working in the Indian Government, especially as a Minister during the rule of the Congress Government, I have experienced that a Government in its initial stage becomes very much attentive when any disaster takes place. But, long-term rehabilitation after the disaster is not given necessary attention. As a result, a comprehensive plan has to be drawn up to rehabilitate the affected people, besides domestic and foreign assistance.

For example, many fishermen have lost their boats, their nets have been completely destroyed, they should be provided with boats and nets immediately. We had faced a similar crisis during the Tsunami in 2004 within the 5 southern states of India. We had adopted institutional arrangement program in which the banks were asked to provide loans however, as the banks could not be asked to provide loans as charity, the Government to pay off the interest on the loans. Similarly a mid-term or long-term rehabilitation policy has to be drawn up. Crops have been destroyed at several places where only Aman (a variety of rice) is cultivated. It has to be discussed with the agricultural scientists if at those places winter crops/Rabi crops can be cultivated and what types of seeds, fertilizers and credit will be required for the purpose. We have discussed these points and I have said that we will assist as much as possible from our side.



BHUTAN

236. Briefing by Official Spokesperson on the agreement on an updated India-Bhutan Friendship Treaty.

New Delhi, January 8, 2007.

Good afternoon everybody, I have a statement on India-Bhutan relations. It would be useful to read out to you.

India enjoys the closest relationship with its friend and neighbour, Bhutan. These relations rest on the firm foundations of historical ties, shared interests and mutually beneficial cooperation which have been nurtured by both countries during the last almost five decades since the historic visit of Pandit Jawaharlal Nehru to Bhutan in 1958. Over this period, India-Bhutan relations have expanded and deepened to encompass almost every sphere of activity.

Against this background, discussions have been held between India and Bhutan during the last few years to review and update the Treaty relating to the promotion of, and fostering the relations of friendship and neighbourliness which was signed 57 years ago at Darjeeling on 8th August 1949 by the two governments, with a view to bringing the Treaty in conformity with the expanded nature of our relationship. This review was conducted most recently during the visit of the King of Bhutan His Majesty Jigme Singye Wangchuck to India in July 2006, visit by Foreign Secretary Shri Shivshankar Menon to Bhutan in October 2006, and during the visit of External Affairs Minister Shri Pranab Mukherjee to Bhutan in December 2006. Based on these discussions, we have, together with Bhutan, reached agreement on the text of an updated India-Bhutan Friendship Treaty.

The India-Bhutan Friendship Treaty not only reflects the contemporary nature of our relationship but also lays the foundation for their future development in the 21st century. It aims to consolidate our mutually cooperative relationship in a manner that is responsive to and serves each other's national interests through close cooperation. The Treaty will enable the fur-

ther intensification of our relations in areas such as hydropower cooperation, trade and commerce, and human resource development.

The finalization of the India-Bhutan Friendship Treaty coincides with Bhutan's transition to a Constitutional democracy and reflects the desire of both governments to put in place the framework for the future growth of our relationship as His Majesty Jigme Singye Wangchuck transfers the responsibilities of the Monarch to His Majesty Jigme Khesar Namgyel Wangchuck, the Fifth Druk Gyalpo of Bhutan.

Government have kept all the major political parties informed about the background to the revision and its benefits to both India and Bhutan.

The India-Bhutan Friendship Treaty is expected to be formally signed during the visit to India by His Majesty Jigme Khesar Namgyel Wangchuck, the Fifth Druk Gyalpo of Bhutan.

That was the statement on the revised treaty between the two countries.

Question: Can you be specific on the revisions that have been made?

Official Spokesperson: Well, I cannot go into details. The statement speaks for itself. The text itself will only be available after signature by both countries.

Question: When will be the agreement be signed?

Official Spokesperson: We will work out mutually convenient dates. These will be announced once they are finalized.

* * * *

Thank you.



237. Statement by Official Spokesperson on the signing of the India-Bhutan Friendship Treaty.**New Delhi, February 8, 2007.**

The Governments of India and the Royal Government of Bhutan have today signed the India-Bhutan Friendship Treaty. This Treaty updates the Treaty which was signed in Darjeeling on 8th August 1949.

The signing of the India-Bhutan Friendship Treaty marks a historic moment in our relations with Bhutan. The Treaty reflects our mutual desire to enhance our relationship to an even higher level of cooperation and goodwill to meet the aspirations of our two peoples for a better life.

The updated Treaty reiterates that there shall be perpetual peace and friendship between India and Bhutan. It removes provisions which have become obsolete over time. It includes fresh provisions for consolidating and expanding economic cooperation for mutual and long-term benefit, and cooperation in the fields of culture, education, health, sports, and science and technology. It does not envisage a change in the treatment of nationals of both countries, or in the free trade regime that we have. The Treaty commits both countries to cooperate closely with each other on issues relating to their national interests, and not allow the use of their territories for activities harmful to the national security and interest of the other.

Over several decades, India's relations with Bhutan have been an enduring element of our foreign policy. These relations, based on the foundation of shared interests and mutually beneficial cooperation, have become an exemplary model of good-neighbourly relations. They symbolize our belief that the people of South Asia share a common destiny. India-Bhutan relations are today characterised by maturity, trust, respect and understanding, and joint endeavours in ever-expanding areas of activity.

The Government of India deeply values the contribution made by the Fourth Druk Gyalpo of Bhutan, His Majesty Jigme Singye Wangchuck, to the consolidation of India-Bhutan relations. The signing of the India-Bhutan Friendship Treaty today opens a new era in the further deepening and strengthening of this unique and special relationship under the reign of the Fifth Druk Gyalpo of Bhutan, His Majesty Jigme Khesar Namgyel Wangchuck.



238. Treaty of Friendship between the Government of the Republic of India and the Royal Government of Bhutan.

New Delhi, February 8, 2007.

The Government of the Republic of India and the Government of the Kingdom of Bhutan:

Reaffirming their respect for each other's independence, sovereignty and territorial integrity;

Recalling the historical relations that have existed between our two countries;

Recognizing with deep satisfaction the manner in which these relations have evolved and matured over the years into a model of good neighbourly relations;

Being fully committed to further strengthening this enduring and mutually beneficial relationship based on genuine goodwill and friendship, shared interests, and close understanding and cooperation;

Desiring to clearly reflect this exemplary relationship as it stands today;

And having decided, through mutual consent, to update the 1949 Treaty relating to the promotion of, and fostering the relations of friendship and neighbourliness between India and Bhutan;

Have agreed as follows:

Article 1

There shall be perpetual peace and friendship between India and Bhutan.

Article 2

In keeping with the abiding ties of close friendship and cooperation between Bhutan and India, the Government of the Kingdom of Bhutan and the Government of the Republic of India shall cooperate closely with each other on issues relating to their national interests. Neither Government shall allow the use of its territory for activities harmful to the national security and interest of the other.

Article 3

There shall, as heretofore, be free trade and commerce between the

territories of the Government of Bhutan and the Government of India. Both the Governments shall provide full cooperation and assistance to each other in the matter of trade and commerce.

Article 4

The Government of India agrees that the Government of Bhutan shall be free to import, from or through India into Bhutan, whatever arms, ammunition, machinery, warlike material or stores as may be required or desired for the strength and welfare of Bhutan, and that this arrangement shall hold good for all time as long as the Government of India is satisfied that the intentions of the Government of Bhutan are friendly and that there is no danger to India from such importations. The Government of Bhutan agrees that there shall be no export of such arms, ammunition and materials outside Bhutan either by the Government of Bhutan or by private individuals.

Article 5

The Government of Bhutan and the Government of India agree that Bhutanese subjects residing in Indian territories shall have equal justice with Indian subjects, and that Indian subjects residing in Bhutan shall have equal justice with the subjects of the Government of Bhutan.

Article 6

The extradition of persons wanted by either state for crimes and for unlawful activities affecting their security shall be in keeping with the extradition agreements between the two countries.

Article 7

The Government of Bhutan and the Government of India agree to promote cultural exchanges and cooperation between the two countries. These shall be extended to such areas as education, health, sports, science and technology.

Article 8

The Government of Bhutan and the Government of India agree to continue to consolidate and expand their economic cooperation for mutual and long term benefit.

Article 9

Any differences and disputes arising in the interpretation and application of

this Treaty shall be settled bilaterally by negotiations in a spirit of trust and understanding in consonance with the historically close ties of friendship and mutually beneficial cooperation that form the bedrock of Bhutan-India relations.

Article 10

This Treaty shall come into force upon the exchange of Instruments of Ratification by the two Governments which shall take place in Thimphu within one month of the signing of this Treaty¹.

The Treaty shall continue in force in perpetuity unless terminated or modified by mutual consent.

In witness whereof, the undersigned being duly authorized thereto by their respective Governments, have signed this Treaty.

Done at New Delhi on the Eighth Day of February Two Thousand and Seven, in two originals each in Hindi, Dzongkha and English languages, each text being equally authentic. However, in case of difference, the English text shall prevail.

**For the Government of
The Republic of India**

**For the Government of
the Kingdom of Bhutan**

Sd/-

Sd/-

**(Pranab Mukherjee)
Minister of External Affairs**

**(H.R.H.Trongsa Penlop
Jigme Khesar Namgyel Wangchuck)
The Crown Prince of Bhutan**



1. A press release issued by the Ministry of External Affairs on March 5 said that the Instruments of Ratification having been exchanged on March 2, the Treaty had come into force with immediate effect.

239. Joint Press Statement issued after the official visit of the King of Bhutan His Majesty Jigme Khesar Namgyel Wangchuck.

New Delhi, February 11, 2007.

His Majesty Jigme Khesar Namgyel Wangchuck, the King of Bhutan, paid an official visit to India from February 7 to 12, 2007. His Excellency Lyonpo Khandu Wangchuk, Prime Minister and Foreign Minister, and senior officials of the Royal Government of Bhutan accompanied His Majesty the King.

During the visit, His Majesty Jigme Khesar Namgyel Wangchuck called on the President, Dr. A.P.J. Abdul Kalam. The King of Bhutan held talks with the Prime Minister, Dr. Manmohan Singh, and met the Chairperson of the UPA, Smt. Sonia Gandhi. Prime Minister hosted a dinner in honour of the King of Bhutan. The Minister for External Affairs Shri Pranab Mukherjee, Home Minister Shri Shivraj Patil, Deputy Chairman of the Planning Commission, Shri Montek Singh Ahluwalia, Defence Minister Shri A. K. Antony, Finance Minister Shri P. Chidambaram, Leader of the Opposition Shri L.K. Advani, and other senior government officials called on the King of Bhutan.

The leaders of India appreciated that the first visit abroad by the Fifth Druk Gyalpo of Bhutan is to India. This was a manifestation of the deep bonds of friendship and historical ties that bind the two countries. Both sides were confident that under the reign of the Fifth Druk Gyalpo, these ties would further deepen and strengthen. The Government of India paid warm tribute to the leadership of the Fourth Druk Gyalpo, His Majesty Jigme Singye Wangchuck, in making Indo-Bhutan relations an exemplary model of good-neighbourly relations.

The visit was marked by the signing of the historic India-Bhutan Friendship Treaty. The Treaty, which is an update of the Treaty signed by the two countries in 1949, reflects the contemporary nature of Indo-Bhutan relations, and lays the firm foundation for their further development in the 21st century. The Treaty creates a framework for continued mutually beneficial cooperation in a manner that is responsive to and serves each other's national interests. The Treaty will enable the further intensification of our relations in areas such as trade and economic cooperation, hydropower, human resource development, cultural and people-to-people exchanges.

The visit of the King of Bhutan continued the tradition of periodic exchange of visits at the highest levels between the two countries. During the visit both sides held a cordial exchange of views and discussions on bilateral issues as well as regional and international issues. They expressed their satisfaction at the excellent state of friendly relations and cooperation. They agreed that the destinies of their two countries were closely linked and that there was immense potential for further strengthening mutually beneficial cooperation in all areas. In this context, they expressed deep satisfaction at the successful commencement of commercial operations of the Tala Hydroelectric Power Project in Bhutan. It was agreed to put on fast track the development of other power projects.

The Government of India reaffirmed its full support to Bhutan during its period of transition to a democratic constitutional monarchy, including for the forthcoming elections. The Government of India reiterated its commitment to provide all possible assistance within its resources to the Royal Government of Bhutan in its socio-economic development programme, including the on-going Ninth Five Year Plan and the forthcoming Tenth Five Year Plan.

The two sides agreed to upgrade their respective Liaison Offices in Phuentsholing and Kolkata to full-fledged Consulates General.

The visit by His Majesty the King of Bhutan is yet another milestone in the history of relations between India and Bhutan, and greatly contributed in further enhancing the mutual goodwill, trust, understanding and friendship between the governments, leaders and peoples of the two countries.

His Majesty Jigme Khesar invited Prime Minister Dr. Manmohan Singh to pay an official visit to Bhutan. Prime Minister graciously accepted the invitation. Dates for the visit would be decided through diplomatic channels.



240. Speech of Prime Minister Dr. Manmohan Singh while dedicating the Tala Transmission System to the Nation, New Delhi, June 20, 2007.

I am delighted to be associated today with the dedication to our Nation of the Tala Transmission System. The Tala Hydro electric project and the Tala Transmission System are of immense national significance. Not just because they signify availability of additional electric power but more so because they are important symbols of regional economic cooperation in South Asia. They are shining examples of what can be achieved if nations in this region work hand in hand to achieve our common development objectives.

On this happy occasion, it is my privilege to convey His Majesty the King of Bhutan and the people of Bhutan our most sincere and warm greetings and gratitude. India-Bhutan cooperation has emerged as a great symbol of good neighbourliness. Warm and close relations that the people of India and Bhutan have had for centuries have been further strengthened in recent years through extensive cooperation in many fields of development. India is privileged that it has had the opportunity to play a positive and helpful role in Bhutan's accelerated development in recent years. Our two countries are committed to promote cooperation in diverse fields to our common mutual benefit. The Tala Hydroelectric project and the Tala Transmission System symbolize our resolve to find new pathways of regional cooperation for sustainable development in our region.

We live in an increasingly interdependent world. The challenges before us are to promote a balanced and equitable management of this growing interdependence of nations. The challenges we face as nations are increasingly less amenable to purely national and autonomous solutions. Energy security, food security, environmental degradation and climate change recognize no national borders. Pandemics like HIV/AIDS, Malaria, TB or Avian Flu can only be contained or overcome through international cooperation, both regionally and globally. Regional cooperation provides unique opportunities to transform the richness of our human and natural resources into cooperative regional activities promoting development, enhancing prosperity and the well-being of our people, and ensuring our collective security in all its multifarious dimensions. Regional cooperation is a means to achieve more efficient use of regional resources, make our economies more complementary and promote the expansion of trade and development.

Today, we are linking India into a web of partnerships with the countries of the region and beyond through free trade and economic cooperation agreements. The emergence of the Indian economy over the last few years as one of the fastest growing economies in the world offers opportunities of expanding markets, investments, technology and entrepreneurial resources for the countries in our region. Some successful examples already exist such as India's FTAs with Sri Lanka and Nepal, cooperation with Bhutan in tapping the huge hydropower potential and trade creating investments in Nepal. The growing purchasing power of Indians has helped boost tourism into Maldives, Nepal and Sri Lanka. Much more can be done, and we look forward to working with our neighbours for our common mutual benefit. I know that the potential for regional cooperation in South Asia is immense and we have not even scratched the surface. I believe that the best is yet to come and we must all work towards realizing this ambitious objective.

This transmission system is also a symbol of national integration. This system will enable us to evacuate power from Bhutan and supply it to the eastern and northern regions of our country. This will augment the capacity of the national power grid and make it easier for us to balance the supply and demand equation in power.

A large sub-continental economy like ours, with a diverse portfolio of natural resources and physical endowments, must walk on two legs in addressing the growing demand for power. On the one hand, we must invest in local and small-scale sources of power generation and transmission; and, on the other hand, we must continue to invest in large thermal, hydro and nuclear power systems.

The Tala project is also a symbol of the potential of hydro power. I do hope that we can replicate our highly successful, win-win model of bilateral cooperation with Bhutan in the power sector with Nepal too. Hydro power is clean and renewable. We must tap the energy in our river systems in this region more effectively and more efficiently. This can be done to the benefit of all countries in the region. It is a win-win model of cooperation.

I am of course aware that there are concerns pertaining to ecology and rehabilitation and resettlement in the case of large hydroelectric projects. I am fully cognizant of such concerns and they must be addressed. I do sincerely believe that it is possible for us to take care of our people and our environment while undertaking hydro power projects. It is precisely to address such concerns that the Ministry of Power is constituting a Task Force on Hydro Power.

I am reassured to see a national consensus emerge at the recent meeting of Chief Ministers on the need to reduce T&D losses. I had urged all Chief Ministers to launch a national campaign against thefts in their states. The Chief Ministers had agreed to set up special courts for speedy disposal of theft cases. I hope these will be operationalised soon. The Centre will provide financial assistance for upgrading transmission and distribution systems. We had agreed that as losses come down to agreed levels, we will reward performing states appropriately. As I had announced, the APDRP scheme is being revised and a National Power Project Management Board will be set up to assist State and Central utilities to ensure timely completion of all power projects.

The time has come for us to address the challenge on the energy front on a war-footing. Availability of quality power at affordable cost has emerged as the most important constraint on the pace of our development. The complacency of the past, be it with regard to conventional or non-conventional sources of power, or indeed nuclear power, must come to an end. The people of our country are not going to wait endlessly for us to sort out our administrative, political and theological problems.

With these words, I compliment all those who have been associated with the completion of the Tala Transmission System. I have great pleasure in dedicating this project to our Nation. I wish you all success in your future endeavors."



241. Briefing by Official Spokesperson on the visit of External Affairs Minister Pranab Mukherjee to Bhutan.

New Delhi, July 25, 2007.

Official Spokesperson: External Affairs Minister Shri Pranab Mukherjee will be paying a three-day visit to Bhutan from 27th to 29th July at the invitation of the Royal Government of Bhutan. During the stay he is expected to receive an audience with His Majesty the King of Bhutan Jigme Kesar Namgyal Wangchuk and he will also be holding discussions with Prime Minister and Foreign Minister Lyonpo Khandu Wangchuk.

The visit is in the tradition of regular visits and exchanges at the highest level between the two countries and is expected to lead to further consolidation of the economic and political relations. Specifically, the visit is expected to result in the signing of a landmark agreement on the implementation of the 1095 MW Punatsangchhu-I hydroelectric project which is to be built in Bhutan with Indian assistance.

To give you the broader context of the relationship, as you know India and Bhutan share a uniquely warm and cordial relationship characterized by close consultations, maturity, complete trust and mutual understanding, and based on shared interests and mutually beneficial cooperation. In fact, this relationship has been known to be the exemplary model of good neighbourly relations. The Fourth King of Bhutan Jigme Singye Wangchuck was the Chief Guest at the Republic Day celebrations in January 2005, and later visited India in August 2005 and July 2006. In April 2007, the Prime Minister of Bhutan Lyonpo Khandu Wangchuk led the Bhutanese delegation for the SAARC Summit.

The present King of Bhutan visited India in February 2007 when the India-Bhutan Friendship Treaty was signed marking a historic moment of this relationship. That Treaty, as you recall, reflects a mutual desire to enhance the relationship to an even higher level of cooperation and goodwill to meet the aspirations of the two peoples for a better life. The present visit by the External Affairs Minister will be the first high-level engagement following the visit of King of Bhutan in February 2007, and EAM himself had visited Bhutan in December 2006 when he had gone to extend the invitation for the SAARC Summit.

As regards other aspects of the relationship, India is the largest trade and development partner of Bhutan. We have a free trade regime that exists

between the two countries. The bilateral agreement on trade, commerce and transit provides for continued free-trade arrangements between India and Bhutan with simplified procedures and additional facilities and sixteen entry/exit points in India for Bhutan's trade with third countries. India accounts for 98 per cent of Bhutan's total exports and 90 per cent of Bhutan's total imports. In terms of support for Bhutanese economic development as reflected in our support for the Five Year Plans, in March 2007 the Government of India approved a revised financial assistance package of Rs.2610 crore for Bhutan's Ninth Five-Year Plan.

The hydropower sector is a key element of the mutually beneficial cooperation. In July 2006, an agreement was signed on cooperation in this sector wherein India has agreed to import a minimum of 5000 MW of electricity from Bhutan by 2020. We have so far invested about Rs.5000 crore in the construction of three hydro projects - Chukkha, Kurichu and Tala. These have a combined installed capacity of about 1400 MW which supply India with power and have in the process also become symbols of Indo-Bhutanese friendship and partnership for mutual benefit. Earnings from the sale of this electricity account for a sizeable percentage of Bhutan's revenues. It is against this backdrop that the current landmark agreement on the implementation of the Punatsangchhu-I project will be signed by the External Affairs Minister with his counterpart Foreign Minister Lyonpo Khandu Wangchuk of Bhutan. This is a run of the river project and will be the largest of its kind in Bhutan to be funded by the Government of India.

Other aspects still, as you know India and Bhutan share a common boundary of about 700 kilometres. The open borders, visa-free regime, and duty-free trade could not have been sustainable without the complete understanding between the two leaderships. The military operations conducted by the Bhutanese Army in December 2003 and January 2004 against Indian insurgent groups in Bhutan were a milestone in our joint response against terrorist activities. And we look forward to continuing this cooperation by jointly upgrading border infrastructure and management including through better roads and communication links.

Question: On Bhutan, will the agreement on the hydroelectric project be signed or is it only expected to be signed?

Official Spokesperson: That is expected. The agreement is ready for signing. It is expected to be signed during the visit.



242. Joint Press Release on the Agreement between the Government of Republic of India and the Royal Government of Bhutan regarding the Punatsangchhu-I Hydro-Electric Project.

Thimpu, July 28, 2007.

Bhutan and India today signed a landmark agreement on the implementation of the Punatsangchhu-I Hydro Electric Project. The agreement was signed at Gyelyong Tshokhang, Thimphu by Mr. Pranab Mukherjee, External Affairs Minister, on behalf of the Government of the Republic of India and Lyonpo Khandu Wangchuk, Foreign Minister on behalf of the Royal Government of Bhutan.

The Punatsangchhu-I project is a run-of-the-river scheme on the Punatsangchhu river located between 8.5 KM and 18.5 downstream of Wangdue Phodrang Bridge. The project will be funded by the Government of India with 40% grant and 60% loan an interest of 10%. The estimated capital cost of the project as per the DPR is Nu. 38,148.10 million (December 2006 price level). The project envisages installed capacity of 1095 MW (6x182.50 MW) with annual average energy generation of 5377.45 GWH. The project will have 137 m high concrete gravity dam, 4 intakes, 4 underground desilting chambers, 7.50 Km long (10.3 m diameter) headrace tunnel and 2 vertical pressure shafts and an underground powerhouse. A new provision that would enable both Governments to benefit from Carbon Emission Revenue has also been introduced.

In accordance with the agreement, a Punatsangchhu Hydroelectric Project Authority will be set up for the construction of the project. The construction of the project is expected to commence in 2008 and complete by 2014. Pre-construction activities of the project have already started.

A Memorandum of Understanding (MoU) for the preparation of the Detailed Project Report (DPR) of the Punatsangchhu-I was signed between the two Governments on 15th September 2003. Accordingly the DPR was prepared by WAPCOS (India) Limited, a Government of India Undertaking and approved by both Governments in 2007.

In July 2006, an agreement on cooperation in the field of hydroelectric power was signed between the two Governments. Under this agreement, both countries have set out to achieve, inter alia, the export of a minimum of 5,000 MW of hydropower from Bhutan to India from 2020.

Cooperation between Bhutan and India has been highly successful and to the mutual benefit of both countries. Three hydroelectric power projects have already been commissioned in Bhutan with Indian assistance, namely, Chukha (336 MW), Kurichhu (60 MW) and Tala (1020 MW). Surplus power generated from the hydropower projects is exported to India.

Punatsangchhu-I will be the largest hydro power project to be undertaken in Bhutan in partnership with the Government of India and is yet another milestone in India-Bhutan cooperation in the field of hydropower.



243. Agreement between the Government of the Republic of India and the Royal Government of Bhutan regarding the Punatsangchhu - Hydroelectric Project.

Thimphu, July 28, 2007.

The Government of the Republic of India and the Royal Government of Bhutan:

Bearing in mind the friendly relations and the mutual trust existing between the two Governments and their peoples;

Appreciating the accomplishments achieved by cooperation in the successful commissioning of the Chukha, Kurichhu and the Tala Hydroelectric Projects;

Recalling the Agreement between the Government of the Republic of India and the Royal Government of Bhutan concerning cooperation in the field of hydroelectric power signed on 28th July 2006;

And taking note of the desire of the two Governments to develop additional hydropower potential for their mutual benefit and their willingness to cooperate in the construction and operation of hydroelectric projects to attain this objective;

Have, with respect to the Punatsangchhu-I Hydroelectric Project, agreed as follows:

Article 1

1. Water and Power Consultancy Services Ltd. (WAPCOS), a

Government of India Undertaking has prepared a Detailed Project Report on the Punatsangchhu-I Hydroelectric Project in Bhutan (hereinafter called "the Project"). The Project envisages the construction of the dam, head race tunnel, pressure shaft, power house, transmission lines, switchyard, etc. as per the approved DPR and such other works which may become necessary and are agreed upon between the two Governments.

2. The scope of the Project shall include all auxiliary, ancillary works and all activities necessary for the execution of the Project.

Article 2

The Project shall be owned solely by the Royal Government of Bhutan.

Article 3

The estimated cost of the Project arrived at on the basis of the approved DPR is Rs/Ngultrms 35,148.10 million at December 2006 Price Level, The Government of the Republic of India agrees to provide finds for the financing of the Project. For this purpose, the Government of the Republic of India will make available to the Royal Government of Bhutan:

- a) a sum of Rs/ Ngultrms 14,059.24 million equivalent to 40% of the estimated total cost of Rs/ Ngultrms 35,148.10 million as grant; and
- b) a sum of Rs/ Ngultrms 21,088.86 million equivalent to 60% of the estimated total cost of Rs/ Ngultrms 35,148.10 million as loan. The loan shall carry an interest rate of 10% per annum and be repayable in twelve equated annual installments, the first repayment commencing one year from the mean date of commercial operation;

The Government of Republic of India agrees to provide additional finds, as mutually determined, for the completion of the Project, in the same proportion and on the same terms and conditions.

Article 4

1. A "Punatsangchhu-I Hydroelectric Project Authority" (hereinafter called the Authority) shall be set up for the construction, operation and maintenance of the Project and for the evacuation of surplus power from the Project. The Authority will be constituted as an autonomous body.

It shall have a Chairperson and seven Members. The Chairperson and four Members of the Authority shall be nominated by the Royal Government of Bhutan. Three Members of the Authority shall be nominated by the Government of the Republic of India. All powers of the Authority shall be vested in the Chairperson. The Members shall assist the Chairperson in the administrative, technical, financial and organizational matters of the Project. The Authority will frame its own rules of business. With the approval of the two Governments, the Authority shall appoint a Managing Director and Joint Managing

Director of the Project. The Managing Director will function as the Secretary of the Authority.

2. The Ambassadors of Bhutan to India and Indian Ambassador to Bhutan shall be permanent invitees at the meetings of the Authority.
3. The Managing Director will be assisted by a Joint Managing Director, Technical Director and a Finance Director who shall all be permanent invitees to the meetings of the Authority. Member (Hydro.) of Central Electricity Authority and Member (D&R) of Central Water Commission of Government of India also shall be permanent invitees to the meetings of the Authority.
4. The Managing Director of the Project will be the overall in-charge of the Project under the supervision and guidance of the Authority. He will be vested with sufficient powers to enable him to function in an effective manner and implement and operate the Project as per schedule. There will be a suitable organization for the Project under the Managing Director to assist him.

Article 5

M/s Water and Power Consultancy Services Ltd. (WAPCOS), a Government of India Undertaking, will be the engineering and design consultant for the Authority. The terms of reference for the consultant shall be decided by the Authority.

Article 6

The requirement of funds for the construction of the Project will be worked out by the Authority in accordance with the programme and progress of the construction. The release of funds will be on the basis of the recommendations of the Authority and as per mutually agreed modalities between the two Governments based on the progress of work.

Article 7

The recruitment of labour force, technical, administrative and other personnel of the Authority or any contractor/supplier engaged on the Project will be confined to nationals of either country.

Article 8

1. The Authority will hand over the Project to the Royal Government of Bhutan within two years of completion of the Project, at which time, the Authority shall be dissolved.
2. After the dissolution of the Authority, the Royal Government of Bhutan will, if so required, continue to avail itself of the technical & managerial expertise of Government of the Republic of India through such arrangements as may be agreed from time to time.

Article 9

1. The Royal Government of Bhutan agrees that surplus power from the Project, that is, the power over and above that is required for use in Bhutan, shall be sold to the Government of the Republic of India. The Government of the Republic of India agrees to purchase all the surplus power from the Project.
2. The Government of the Republic of India shall make necessary transmission arrangements within their territory for evacuation of power from the Project.
3. The rate at which this power will be sold by Bhutan to India at the Bhutan-India border, shall be mutually determined by the two Governments at the time of commissioning of the Project. This shall be done by taking into account the cost of the Project, its financing costs, Operation and Maintenance charges, depreciation at rates applicable to similar projects in India and prevalent market conditions. To ensure predictability, this rate of power shall, thereafter, be reviewed by the two Governments, at the end of every three years, who shall be guided by the principles agreed upon for the Tala Hydroelectric Project in this regard.
4. No duty, surcharge or any other form of levy will be charged by Bhutan on the power sold by Bhutan to India.

Article 10

1. The Royal Government of Bhutan shall provide Government land

free of cost for the Project. In case the Project authorities require private land for this purpose, the compensation as per norms of the Royal Government of Bhutan shall be paid by the Authority.

2. The Royal Government of Bhutan shall make necessary arrangements for the acquisition of land, building, the right of way where needed and cutting trees necessary in connection with the Project and resolve administrative and other difficulties, if any. The settlement of claims or disputes arising in connection with such arrangements shall be the responsibility of the Royal Government of Bhutan, but payment of compensation if any shall be made by the Authority.
3. The Authority shall ensure that the Project complies with all statutory environmental legislations of Bhutan. Any resettlement of people and compensation will be done at the cost of the Project and as per the norms of the Royal Government of Bhutan.

Article 11

1. The Royal Government of Bhutan shall receive from the Authority royalty for timber, boulders, aggregates and other construction materials required from Bhutan for the Project.
2. The Royal Government of Bhutan shall exempt taxes, Levies, duties for plant, construction materials & equipments, machineries and services imported for direct use in, the construction of the Project until the date of commercial operation. Any procurement made under tax exemption basis shall be liable for tax payment as per the Tax Act of the Kingdom of Bhutan if disposed off in Bhutan.
3. The Royal Government of Bhutan shall not levy any income tax on any employee of the Government of India or a State owned enterprise of the Government of India employed directly or engaged in the Project. However, any other contractor, sub-contractor or consultants recruited in connection with the Project, will be liable for tax in Bhutan as per the Income Tax Act of the Kingdom of Bhutan, 2001. Further, such recruiting agency shall be responsible for deducting and remitting Tax Deducted at Source (TDS) as per the provision of the said Income Tax Act.
4. The Government of India shall exempt from central excise duty any material and equipment exported to Bhutan for the Project.

Service tax that may be applicable on services provided by Indian agencies involved in the Project shall be reimbursed by the Government of India and will not be incorporated in the overall Project cost.

Article 12

1. The Royal Government of Bhutan will ensure supply of power at domestic rates during construction of the Project from the Western Grid of Bhutan according to the requirement of the Project. The required transmission lines and sub-station will be provided by the Authority.
2. The Government of the Republic of India and the Royal Government of Bhutan will facilitate the installation of communication lines, radio communications and construction of roads and other infrastructural facilities that are required for the construction and operation of the Project at the cost of the Project.

Article 13

The Royal Government of Bhutan shall facilitate the establishment by the Authority of an appropriate school, hospital and dispensaries in the Project area for the benefit of the officers and staff of the Project. These facilities shall be managed by the Royal Government of Bhutan at the cost of the Project.

Article 14

1. The selection and appointment of technical, administrative and other personnel shall be confined to nationals of either country. The Royal Government of Bhutan shall issue identity cards/ permits, without payment of security deposits, to the concerned employees of the Authority and Government of India agencies engaged in connection with the Project and to the members of their families. However, such security deposits shall be payable for all labour and for staff appointed by other contractors.
2. The Royal Government of Bhutan shall issue/ renew identity cards on payment of prescribed fee for personnel employed for the Project.
3. The two Governments shall permit the Authority to select and appoint officers, and staff on deputation directly from the concerned departments and Public Sector Undertakings of the Royal

Government of Bhutan and from concerned departments, State Governments, State Electricity Boards and Public Sector Undertakings of the Government of the Republic of India, after inviting applications through the respective departments.

Article 15

1. The Royal Government of Bhutan shall issue on recommendations of the Authority licenses to Indian contractors engaged for the construction of the Project. Such licenses shall be valid for the duration of the contract for which the contractor or supplier has been engaged.
2. Bhutanese & Indian firms or contractors, possessing the necessary competence, shall be eligible to bid for works and supplies of equipment and materials. Other considerations being equal, preference shall be given to Bhutanese firms in the allocation of works.

Article 16

The two Governments shall provide facilities to ensure free movement of men, materials and transportation of machinery & equipment required for the Project through their respective territories.

Article 17

The personnel of the Authority and the executing agency shall, at all times, respect the laws of the land. However, no suit, prosecution or legal proceedings shall be instituted against any person in the employment of the Authority or executing agency for anything which is done in good faith, or purported to be done in good faith for the Project.

Article 18

Both Governments shall develop the Punatsangchhu-I Hydroelectric Project under the Clean Development Mechanism (CDM) to generate carbon credits, in accordance with the provisions of Article 8 of the Agreement between the Royal Government of Bhutan and the Government of the Republic of India concerning cooperation in the field of hydroelectric power signed on 28th July 2006, which would be shared by the two governments.

Article 19

Any difference regarding the interpretation or application of any provisions

of this Agreement shall be resolved by mutual consultations between the two Governments.

Article 20

This Agreement shall enter into force upon signature and shall remain in effect until the two Governments, through a new agreement, adopt a decision that they deem convenient.

In witness whereof, We, the undersigned being duly authorized by our respective Governments, have signed the Agreement.

Signed in Thimphu on the Twenty Eighth Day of July Two Thousand and Seven, in two originals in English.

**For the Government of
the Republic of India**

**(Pranab Mukherjee)
Minister of External Affairs**

**For the Royal Government of
of Bhutan**

**(Lyonpo Khandu Wangchuk)
Minister of Foreign Affairs.**



244. Statement by External Affairs Minister Pranab Mukherjee after Signature Ceremony for the Punatsangchhu Hydroelectric Project.

Thimphu, July 28, 2007.

Thank you Excellency Prime Minister and Foreign Minister, Khandu Wangchuk, distinguished members of the delegation of the Royal Government of Bhutan, my colleagues and members of my delegation, ladies and gentlemen.

At the very outset, I would like to express my gratitude to Your Excellency and the Royal Government of Bhutan for warm hospitality extended to me and to the members of my delegation since my arrival yesterday and as Your Excellency has pointed out, Bhutan is not new to me. I had the privilege of visiting Bhutan on earlier occasions too and had a hurried visit before the SAARC Summit and had the opportunity of sharing our common perception with Your Excellency. I recall with the pride and great satisfaction Your Excellency's visit to India during the first part of this year, once on the Centenary celebrations of Gandhiji's Satyagraha Movement followed by

the visit of His Majesty the 5th King immediately after assuming the responsibility of ruling this country and on the third occasion during the 14th SAARC Summit, a successful one and I would like to assure Your Excellency that it would be our endeavour to fulfill our commitments adopted as the Chair of the 14th SAARC Summit.

I am delighted to have signed the Agreement on the Punatsangchhu-I Hydroelectric Project just now. This is a historic occasion, which carries our mutually beneficial economic cooperation to even greater heights. For me, the signing is of significance for another reason. I also had the privilege of signing the Agreement for the Tala Project 11 years ago in March 1996. That Project has recently been successfully commissioned. I am glad to share with this distinguished gathering that the capacity utilization is almost 100%.

Punatsangchhu-I will be the largest ever Project to be built in Bhutan with Indian assistance. It will become the symbol of our highly successful cooperation in the hydropower sector - cooperation that is rooted in the principles of mutual benefit and mutual prosperity.

So far, we have successfully completed Chukha, Kurichhu and Tala hydel projects with a generating capacity of over 1400 MW, at a cost of Rs. 5,000 Crore. All these projects are supplying valuable power to India, and generating revenue for Bhutan. Apart from Punatsangchhu-I, work on the preparation of DPRs for two more mega hydel projects, Punatsangchhu-II and Mangdechhu is at an advanced stage. I have no doubt that with such a rich menu of projects, and the complete understanding between our two Governments, we will be able to achieve the target of import of 5000 MW of electricity from Bhutan into India by the year 2020 as agreed under the Agreement on Cooperation in Hydroelectric Power signed in July 2006. Once again Excellency I take this opportunity to place on record our high appreciation of the warm hospitality which you have extended and the cooperation which our two Governments are having for the betterment of peoples of Bhutan and India.



245. Opening Remarks by External Affairs Minister Pranab Mukherjee at the media interaction.

Thimphu, July 28, 2007.

I am very happy to be here once again after my visit in December 2006 before the SAARC Summit. Today I had the honour of receiving an audience with His Majesty Jigme Khesar Namgyel Wangchuck. His Majesty's visit to India in February 2007 was historic and has laid the foundation for the future intensification of our relations. I took the opportunity to convey to His Majesty the greetings of the Prime Minister of India and good wishes of the people of India. We exchanged views on the entire gamut of our bilateral relations, our expanding economic cooperation and other matters of mutual interest.

I also had a meeting with Lyonpo Khandu Wangchuk, Prime Minister and Foreign Minister of Bhutan. We are fully satisfied at the excellent state of our relations. We reaffirmed our strong mutual desire and commitment to further strengthen these relations and our mutually beneficial cooperation.

India and Bhutan enjoy exceptionally close and friendly relations. We have been engaged in bilateral economic cooperation since the inception of planned development in Bhutan since 1961. Over the years, this continued economic cooperation has been diversified and today encompasses almost all spheres of socio-economic development in Bhutan.

I am delighted to share with you that today we have signed the Agreement on implementation of the Punatsangchhu-I Hydroelectric Project. This will be the largest ever project to be built in Bhutan with Indian assistance. I am sure it will become another symbol of our highly successful cooperation in the hydropower sector – a cooperation that is rooted in the principles of mutual benefit and mutual prosperity. The construction of this Project will build upon the success of the Chukha, Kurichhu and Tala projects. I would like to mention here that preparation of DPRs for two other mega Hydel projects – the Punatsangchhu-II and Mangdechhu are at an advanced stage. With such rapid progress in implementation of hydro-power projects, I am sure we will be able to achieve the target of import of 5000 MW from Bhutan by 2020 as agreed under the Agreement on cooperation in Hydro power sector. I believe our cooperation with Bhutan is an example of effective South-South cooperation, and a model worthy of emulation.

Bhutan is at the threshold of transition to a Democratic Constitutional

Monarchy. We are confident that under His Majesty's visionary guidance, this transition will be smooth and successful. We wish the people and the Royal Government of Bhutan all the success in their endeavours. As a close friend and well-wisher of Bhutan, India would be happy to extend any possible assistance that the Royal Government of Bhutan may require.



MALDIVES

246. Press Release of the Ministry of Home Affairs on the visit of Home Secretary V. K. Duggal to Maldives.

New Delhi, January 18, 2007.

India and Maldives have agreed to increase bilateral co-operation in the fields of prevention of drug trafficking, coastal security, disaster management, and control of organized crimes including terrorist activities. Although they have been closely co-operating in these fields, the two countries will work together to evolve an institutionalised mechanism soon for this purpose. The understanding was reached during the recent two-day visit of the Union Home Secretary, Shri V.K.Duggal to Maldives.

The Indian side assured Maldives of continued support in capacity-building of their civilian police, particularly in areas of scientific investigation of crime and setting up of forensic facilities. In this connection, a team of forensic experts will visit Maldives next month.

While in Male, Shri Duggal held discussions with the Maldives Home Minister, Mohd. Thasmeen Ali, Defence Minister, Mr. Ismail Shafeeu and the Minister of Foreign Affairs, Dr. Ahmed Shaheed. He also called on President Maumoon Abdul Gayoom.

The Union Home Secretary who led a four-member delegation to Maldives returned to New Delhi yesterday.



247. Response of Official Spokesperson to a question on the bombing incident in Male.

New Delhi, October 1, 2007.

In response to a question on the bombing incident in Male, the Official Spokesperson said:

"Government of India condemns the bombing incident that occurred in Male on September 29, 2007 in which a number of visiting tourists were injured.

This incident seems designed to disturb the traditional peace and tranquility of the country and impair the economic livelihood of the people. Government of India stands ready to offer all assistance in investigation as well as medical assistance to the Government and the people of Maldives.¹"



1. The Spokesperson was referring to bomb blast in the Maldivian capital Male for which the Maldives President Maumoon Abdul Gayoom blamed disgruntled political elements in his country and vowed to bring to book the culprits behind the incident. The blast on September 30 came weeks after Mr. Gayoom won a referendum to maintain the presidential system of government. The opposition parties, however had accused the government of rigging the referendum.

248. Press Release of the Ministry of Defence on the training of twenty five soldiers of the Maldivian National Defence Force at the Counter Insurgency and Jungle Warfare School.

New Delhi, November 13, 2007.

Twenty five soldiers from the Maldives National Defence Forces (MNDF) have arrived at the Indian Army's elite Counter Insurgency and Jungle Warfare School (CIJWS) Vairengte, Mizoram being commanded by Brig RM Painuly, to undergo an intense four week course in Counter Insurgency and Counter Terrorist Operations.

As the Commandant says, "Low Intensity Conflict are becoming global in scope. It is widely believed that terrorism is becoming less territorially defined, global in reach and more decentralized. Indeed, terrorism has now truly become a global phenomenon. They are not longer bound by limits of geography. Modern militancy has become a complex phenomenon. The globalised world is now matched by a globalised militant ideology. We need to tackle the menace of terrorism globally and hence joint training is a step in global war on terrorism".

The Maldives National Defence Forces (MNDF) are keen to learn from Indian Army's experience in combating insurgency for the last 50 years. And one can't think of a better staging ground for this exchange of expertise between the two forces than the Indian Army's unique Counter Insurgency and Jungle Warfare (CIJW) School, located in Mizoram. The motto of the School is 'Fight the Guerrilla Like a Guerrilla'. The School has been recognized as a "Centre of Excellence for Counter Insurgency". The School trains all ranks of the Indian Armed Forces, Indian Air Force, Indian Navy, Para Military Forces and Central Police Organisations.

Going global, the School is providing training to Officers and Personnel Below Officers Rank (PBOR) of various friendly countries including Afghanistan, Bhutan, Botswana, Bangladesh, Nepal, Ghana, Iraq, Kenya, Mauritius, Singapore, Seychelles, Sri Lanka, South Africa, Myanmar, Kyzgystan, Mongolia, Uzbekistan and Nigeria. Training facilities provided by the School are greatly appreciated by the subscribing countries. Many other countries have elicited interest in the training being imparted here and the demand is on the increase.



NEPAL

249. Reaction of Official Spokesperson to developments in Nepal.

New Delhi, January 16, 2007.

The Government of India welcomes the promulgation of the Interim Constitution¹ and the formation of the Interim Legislature in Nepal. These are significant milestones in Nepal's progress towards a new political era which we hope will be characterized by peace, stability and economic development.

We also note that United Nations monitors have begun to arrive in Nepal to commence the process of arms management. This process must be credible and complete, before the formation of the Interim Government.

The Government of India remains committed to provide all the support it can to assist the people and the political parties of Nepal as they move forward on the peace process.



1. On January 15 the Nepalese Cabinet endorsed the Interim Constitution agreed to between the Maoists and the seven-party alliance paving the way for the Maoists to join the interim parliament and the government. The Constitution was formally promulgated by the Nepalese Parliament. The new constitution virtually gave all the powers of the head of the state to the prime minister. The Maoists have 83 seats in the 330-member parliament. The Nepalese Congress has 85 and the Nepalese Communist Party (UML) 83. The Interim Parliament would function until June when the elections to the new Constituent Assembly are expected to be held.

250. Statement by Official Spokesperson on the Nepalese Prime Minister's Address to the Nation.

New Delhi, February 9, 2007.

We welcome Prime Minister Girija Prasad Koirala's address to the Nepalese nation on Wednesday, 7 February 2007, addressing the demands of the Madheshi population of the country, and the fact that the address reflects a consensus among the eight political parties¹.

We are saddened by the loss of lives and violence in the Terai in the last few weeks. It is our hope that the Government and friendly people of Nepal will continue to resolve such issues through dialogue and peaceful negotiations. Significant milestones have been achieved in the process of democratic transition in Nepal by the political leadership in Nepal. As always, India stands ready to extend its full support to the efforts of the government and people of Nepal in this process.



1. After three weeks of violent protests, a major Madheshi group on February 8 suspended for 10 days its agitation that paralysed Nepal's Terai region. It said it was ready for talks with the Government. "We call our cadres and the Terai people to halt their transport strike and bandh programmes for 10 days beginning on Thursday," said Upendra Yadav, convener of the Madheshi People's Rights Forum (MPRF), spearheading the stir. The agitation had claimed 27 lives in southern plains. Welcoming Prime Minister G P Koirala's address where he assured Madheshi people that their demands would be met and invited the agitating groups for talks, Mr. Yadav said the agitation has been put off to facilitate dialogue. Madheshis, who reside in Terai region and account for over 30 per cent of Nepal's population, were pressing for greater political representation, a federal structure and greater autonomy.

251. Advice tendered by External Affairs Minister Pranab Mukherjee to the Minister of Oil and Natural Gas Murli Deora against any cut in the oil supplies to Nepal.

New Delhi, 8 March 2007.

Citing Indian Oil Corporation's monopoly status with Nepal Oil Corp (NOC) since 1974, External Affairs Minister Pranab Mukherjee requested Petroleum Minister Murli Deora to reconsider IOC's cut in supplies to NOC worth Rs 20 crore per month.

"Except for the last two years, this arrangement (between IOC and NOC) has worked well and has brought commercial benefits to IOC. I believe that before taking any decision it would only be fair to keep this broader background in mind," he wrote to Deora on March 8.

Beginning November, IOC has started cutting supplies to NOC by 20 per cent to recover Rs 339 crore NOC owed for bills from April 2005. In January, IOC ratified a decision to cut supplies up to 30 per cent if NOC failed to pay an additional Rs 15 crore each month. The outstanding until February was Rs 298 crore.

Mukherjee's renewed plea notes Deora's concern for IOC but points out that "Nepal is going through an extraordinary political situation". His letter assures that the Nepal government had conveyed that it was "committed to NOC honouring its payment obligations to IOC in full".



252. Statement by Official Spokesperson on constitution of the Interim Government in Nepal.

New Delhi, April 1, 2007.

The Government of India welcomes the constitution of the interim Government¹ in Nepal under the leadership of Prime Minister G.P. Koirala.

The formation of the interim Government marks another step forward in the implementation of the peace process, and towards the creation of conditions in which the people of Nepal can determine their future through free and fair elections to the Constituent Assembly.

While continuing our support to the people and political parties in Nepal to carry forward the peace process, the Government of India looks forward to working with the interim government to further strengthen India's traditionally close and mutually beneficial relations with Nepal.



1. The formation of the Interim Government was not without hiccups. The announcement which was to be made the previous day (March 31) could not be made because of the last minute differences between Prime Minister Girija Prasad Koirala's Nepali Congress and the Communist Party of Nepal (UML). The two major coalition partners could not agree on who should be the senior-most Cabinet member after the Prime Minister. The UML claimed that its leader, Sahana Pradhan, who was to lead the UML team in the interim Government, should be number two in the Cabinet. But the Nepali Congress said its general secretary and former Speaker, Ram Chandra Poudel, should hold the position. The number two position in the Cabinet assumed significance in the current scheme of things due to Mr. Koirala's age and growing health concerns. Mr. Koirala, 85-year, suffered from chronic lung and chest problems. It was for this very reason that the Nepali Congress wanted its leader to succeed the Prime Minister in the Cabinet in case of any eventuality. The UML finally agreed to give up its claim for the number two position in the Cabinet. The interim Government was therefore announced the next day (April 1). G. P. Koirala took a fresh oath of office as the interim government's head and administered the oath of office to 22 Ministers. A meeting of the top leaders of the Seven Party Alliance and the CPN (Maoists) also took a key decision to hold the elections to the Constituent Assembly on June 20. It decided to amend the interim Constitution to give powers to the interim legislature to abolish monarchy by a two-third majority.

253. Question in the Lok Sabha: "Talks with Bangladesh and Nepal on anti-India activities."

New Delhi, May, 9, 2007.

Please see Document No. 223.



254. Response of Official Spokesperson to questions on recent developments at the Mechi bridge on the India-Nepal border.

New Delhi, May 31, 2007.

In response to questions on recent developments¹ at the Mechi bridge on the India-Nepal border, the Official Spokesperson said:

"The issue of refugees living in Nepal is a bilateral matter between Nepal and Bhutan. It is our hope that both our friends Nepal and Bhutan would be able to pursue their dialogue to find an early solution to this humanitarian problem. As regards specific incident on May 30, 2007 at the Mechi bridge on the India-Nepal border, Indian authorities have taken necessary steps to ensure security and to maintain law and order along the India-Nepal border, and we are in touch with the Government of Nepal."



1. A group of Bhutanese refugees of Nepali origin, residing in the UNHCR administered camps inside Nepal on May 29 tried to force their way into India to enter Bhutan and clashed with the Indian security forces at Panitanki check-post in Darjeeling district on the West Bengal - Nepal border. According to media reports the security forces, comprising the police and the Sashastra Seema Bal (SSB) fired several rounds in the air after a baton-charge failed to disperse them. The refugees attacked the police personnel with stones and tried to set ablaze a Customs office in order to break the security cordon. More than 40 security personnel were injured in the clashes.

255. Response of Official Spokesperson to a question on the date for elections in Nepal.**New Delhi, June 25, 2007.**

In response to a question regarding date of elections in Nepal, the Official Spokesperson said: "The announcement of the date¹ for elections to the Constituent Assembly is an important step forward in the institutionalization of democracy, peace and development in Nepal. We wish the Government of Nepal all success in the holding of these elections in a manner that the people of Nepal can freely and fairly determine the future of their country. As a close friend and neighbour of Nepal, India stands ready to render whatever support is required to achieve these key objectives".

**256. Remarks by Foreign Secretary Shivshankar Menon at Press Conference during his visit to Nepal.****Kathmandu, September 16, 2007.**

Friends from media, ladies and gentleman,

Good Afternoon.

I am delighted to be in this beautiful city, the capital of our friendly and close neighbour Nepal, once again. I have fond memories of my previous visits to Kathmandu, most recently in December and July 2006. This is my second visit to Nepal in my present official capacity.

During this visit, which began yesterday, I was privileged to be received by Prime Minister Koirala, Speaker of Legislature-Parliament Mr. Nembang, Minister for Peace and Reconstruction Mr. Poudel, Foreign Minister Mrs. Pradhan and Home Minister Mr. Sitaula. I also met the Chief Election Commissioner Mr. Bhoj Raj Pokharel and senior leaders of political parties, including President of Nepali Congress (Democratic) Mr. Sher Bahadur Deuba, General Secretary of CPN (UML) Mr. Madhav Kumar Nepal, Chairman of CPN (Maoist) Mr. Pushpa Kumar Dahal, President of Rashtriya

1. On June 24 the Nepalese Government confirmed November 22, 2007 as the date for a key election that will choose an assembly to draft a new constitution and decide on the fate of the monarchy.

Janshakti Party Mr. Surya Bahadur Thapa, and President of Rashtriya Prajatantra Party Mr. Pashupati S.J.B. Rana.

In these meetings and discussions, I had free and frank exchange of views on bilateral relations and ways and means of further expanding and strengthening the close, friendly and wide-ranging relations between India and Nepal. I reiterated that these relations remain of the highest priority for us.

I conveyed on behalf of the Government and the people of India the deepest condolences on the loss of life, limb and property in the recent blasts in Kathmandu and our strong condemnation of the cowardly act of targeting innocent citizens. I must mention here our appreciation for the resilience and determination shown by the people of Nepal in not allowing this act of senseless violence to adversely affect the peace process and the elections to the Constituent Assembly scheduled for 22 November 2007.

The leaders of Government and political parties of Nepal also informed me of the present political situation in Nepal, and the forthcoming Constituent Assembly elections. All of them spoke of the critical importance of the elections to the Constituent Assembly, as scheduled and in an environment free of fear and intimidation. India has consistently believed that these elections will allow the people of Nepal to choose the manner in which they wish their country to be governed by giving to themselves a new constitution. India will support and assist the transition to a democratic, inclusive, stable and prosperous Nepal. My consultations over the past two days in Nepal strengthened my conviction that the people of Nepal will successfully address the challenging tasks of democratic nation-building which lies ahead.

Thank you.



**257. Statement by External Affairs Minister Pranab Mukherjee
in response to questions on developments in Nepal.**

New Delhi, September 18, 2007.

These are internal issues of Nepal, to be resolved by Nepal itself. We would hope that all concerned will implement previous understandings, that underpin Nepal's peaceful transition, and that differences will be resolved democratically¹. The common goal must remain to enable the people of Nepal to choose their own future and the manner of their governance.



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1. The External Affairs Minister was referring to the resignation of four Maoist Ministers from the five-month-old coalition government on September 18, dealing a huge blow to the nascent peace process. They decided to quit after Prime Minister Girija Prasad Koirala refused to bow to their demand to declare Nepal a republic through the interim-legislature. Though the Maoists walked away from the government, they apparently did not dump the peace process since they insisted they were not picking up arms again. "We will focus on peaceful agitation to fulfil our demands," Krishna Bahadur Mahara, Maoist politburo member, told reporters after submission of resignation. Earlier addressing a mass meeting organised by Maoists at the open-air theatre in the capital after the failed negotiation, the Maoist second-in-command, Babu Ram Bhattra, said: "The Constituent Assembly election cannot be held so long as the monarchy exists. Now our party will bring a republic through street agitation." He added that the election programme announced by the Election Commission was not acceptable to his party any more. "The election code of conduct announced by the Election Commission is not acceptable to us," he explained. Interestingly, CPN (Maoist) chairman Prachanda, who was also supposed to address the mass meeting, did not show up at the eleventh hour, citing health reasons. The general secretary of Communist Party of Nepal (UML) said that the top leaders of the eight-party alliance, including the Maoists, have agreed to sit for dialogue on the 19th September morning. "The Maoists have left the government, but they haven't walked out of the peace process. We are still hopeful of an agreement," he said. The Minister for Peace and Reconstruction, Ram Chandra Poudel, also expressed confidence that the latest political development would not derail the peace process. "We are still hopeful that the Maoists would come back to the negotiating table and we will reach consensus." He also said the government was ready to fulfil 20 of the 22 demands submitted by the Maoists.

258. Response of Official Spokesperson to questions on developments in Nepal.

New Delhi, October 5, 2007.

In response to questions on developments in Nepal, the Official Spokesperson said:

"We are disappointed at the postponement¹ of the elections in Nepal, which has occurred for the third time. The repeated postponement of elections erodes credibility and affects the process of democratic transformation and legitimization in Nepal. We hope that the special session of the Interim Parliament will address all relevant issues democratically, to enable the people of Nepal, who have sacrificed so much, to choose at the earliest their own future and the manner of their governance, through a free and fair election process."



1. On October 5 after the coalition government decided to suspend the Constituent Assembly elections scheduled for November 22, owing to irreconcilable differences among partners of the ruling combine, the Election Commission suspended all election programmes. The Communist Party of Nepal (UML) and two other Left parties wrote a note of dissent, expressing their displeasure over the postponement of the poll. This was the second time that the Constituent Assembly poll had been postponed by the government. The coalition government ran into trouble after the Communist Party of Nepal (Maoists) demanded that Nepal be declared a republic before the elections and a fully proportional system of election be adopted for the poll. The Interim Constitution of Nepal however said the first meeting of the Constituent Assembly would decide the fate of the monarchy and the Assembly would be formed through a mixed system of election - half of the members would be elected on the basis of the first-past-the-post system and the other half would be elected through a fully proportional system. Maoist Chairman Prachanda issued a statement saying his party was not in favour of deferring the poll but agreed to it "so as to save the Seven-Party unity and the peace process". The UML took out a rally and held a public meeting in Kathmandu to protest the poll postponement. The leaders however, issued a joint statement expressing their commitment to the peace process and said they would soon declare the next date for the elections.

259. Press Release of the Ministry of External Affairs on the visit of Special Envoy of the Prime Minister Shyam Saran to Kathmandu.

New Delhi, October 12, 2007.

The Special Envoy of the Prime Minister of India, Shri Shyam Saran paid a visit to Kathmandu from 10-12 October 2007.

The Special Envoy was received by the Rt. Hon'ble Prime Minister of Nepal Mr. Girija Prasad Koirala, Minister for Peace and Reconstruction Mr. R. C. Poudel, and Home Minister Mr. K. P. Sitaula. Shri Saran also met the Chief Election Commissioner Mr. Bhoj Raj Pokharel and political leaders, including Senior Leader of Nepali Congress Mr. Sher Bahadur Deuba, General Secretary of CPN (UML) Mr. Madhav Kumar Nepal, Chairman of CPN (Maoist) Mr. Pushpa Kamal Dahal, President of Rashtriya Janshakti Party Mr. Surya Bahadur Thapa and President of Rashtriya Prajatantra Party Mr. Pashupati S.J.B. Rana.

The meetings of the Special Envoy provided an opportunity to discuss the current state of the peace process in Nepal. During the discussions, the Nepali leaders stressed that efforts were being made by them to hold Constituent Assembly elections on the basis of understanding among political parties.

The Special Envoy emphasized that India regards holding free and fair Constituent Assembly elections of central importance for ensuring lasting peace and multi-party democracy in Nepal. He expressed the hope that the people of Nepal will effectively address any challenges in this regard through democratic means, including through implementation of all relevant agreements and understandings. That remains, in India's view, the only way to ensure that the people of Nepal will be able to exercise their democratic rights to choose their future, including the manner in which they want to be governed.

The Special Envoy conveyed that India remained committed to help the peace process in every way possible to achieve the goal of a democratic, stable and prosperous Nepal¹.



1. Addressing a press conference before leaving for New Delhi, Mr. Saran said, "India is quite disappointed by repeated postponement of Constituent Assembly elections." Further

260. Reaction of Official Spokesperson to questions on developments in Nepal.

New Delhi, December 24, 2007.

We have learnt of the 23 Point Agreement¹ reached among the seven parties to hold Constituent Assembly elections by mid-April 2008. This is an encouraging development in the right direction. We also note that the Agreement has given CA elections central importance. The exercise of the people's right to elect a Constituent Assembly in a free, fair and fearless manner is the best way to enable the people of Nepal to choose their own future. We hope that all concerned will work towards maintaining the new deadline for CA elections. As always, India stands ready to assist in every possible way, Nepal's transition to a democratic, stable, peaceful and prosperous State.



delay in holding elections would raise questions of legitimacy of the government. "The peace process and the electoral process are crucially linked together. We don't think the peace process can proceed independently without the electoral process," he said. He told the journalists that all the leaders with whom he held consultations agreed with India on the need to hold the elections at the earliest. He also stressed that people's mandate was necessary to decide the future of monarchy. "We have consistently taken the position that it is up to the people of Nepal to choose how they wish to be governed. But what is the best way to do it? The best way is to have a fresh mandate," Mr. Saran said.

1. The Spokesman was referring to the seven-party alliance signing on December 23 a 22-point agreement under which the Maoists agreed to join the government and the country would be declared a republic through a parliamentary amendment subject to ratification by the first meeting of the Constituent Assembly. It would be recalled the Maoists had moved out of the government in September on the question of abolition of the monarchy. The parties also agreed that if the King was found to be conspiring against the Constituent Assembly elections, the interim parliament would be able to abolish the monarchy by passing a resolution with two-thirds majority. The agreement provided for allocation of seats in the parliament by first-past-the-post system and proportional representation. On December 24 the Government tabled the bill in the Nepalese Parliament to amend the Constitution to declare Nepal a Federal Democratic Republic, which was adopted on December 28. The amendment in Article 159 (a) of the interim Constitution said: "Nepal will be a Federal Democratic Republic." After the amendment, the King has no constitutionally sanctioned role and the Prime Minister would now function as the head of state until the decision was finally endorsed by the elected Constituent Assembly. [This was the third amendment in the interim Constitution since it was promulgated a year ago after the success of the April Movement in 2006.] The amendment also proposed change in the composition of the members of the Constituent Assembly to be elected on the proportional basis and through the first-past-

the-post system. According to the amendment the Constituent Assembly would now comprise 601 members, of which 240 will be elected on the basis of the first-past-the-post system and 335 nominated by the parties in proportion to the popular votes garnered by them. The Prime Minister will nominate the rest 26. Maoist Chairman Prachanda on December 24 said his party would now rejoin the government following which the party formally joined it on December 30.

PAKISTAN

261. Press Release of the Ministry of External Affairs on exchange of lists of Nuclear Installations and Facilities between India and Pakistan.

New Delhi, January 1, 2007.

India and Pakistan today (1 January 2007), through diplomatic channels simultaneously at New Delhi and Islamabad, exchanged lists of nuclear installations and facilities covered under the Agreement on the Prohibition of Attack against Nuclear Installations and Facilities between India and Pakistan. This agreement was signed on December 31, 1988 and entered into force on 27 January 1991.

Under the Agreement, the two countries, on first January of every calendar year are to inform each other of Nuclear Installations and Facilities to be covered by the Agreement. The First such exchange of lists took place on 1st January 1992. This is the sixteenth consecutive time that both countries have exchanged such a list.



262. Interview of External Affairs Minister Pranab Mukherjee with the Mumbai based *Daily News Analysis*.

New Delhi, January 6, 2007.

[External Affairs Minister Pranab Mukherjee is an old hand at diplomacy and not many were surprised when he was shifted to this important ministry by Manmohan Singh. Since he took over, he has been circumspect in talking to the media, saying he wanted to study all the issues first. Next week, he takes off for Islamabad on a visit that will be closely monitored for atmospherics and substance. His discussions with the Pakistani leadership are expected to prepare the ground for a trip by Singh later this year. In his first ever interview to the print media since taking over, Mukherjee talked to Arati R Jerath and Seema Guha on the state of relations with Pakistan and the hope for a resolution of the vexed Jammu and Kashmir issue. Editorial note.]

Question: One of the biggest challenges for an Indian foreign minister is

the relationship with Pakistan. You will be going to Islamabad on January 13. What will be your agenda?

Answer: Whenever a visit like this is undertaken, there are expectations of an improvement in the situation. The limited purpose of my visit is to extend invitations to Musharaff for the SAARC Summit and other meetings scheduled to be held in New Delhi in April. But as I will be there and as this is my first visit to Pakistan, naturally I will take the opportunity to have discussions on issues of mutual interest. I hope that they will be good.

Question: Manmohan Singh had said that there have been extensive discussions with Pakistan over the past two years on all issues, including Jammu and Kashmir. Are we anywhere near a resolution of the J&K issue?

Answer: There is a substantial improvement as a result of the discussions. The composite dialogue with Pakistan has a chequered history. It has started and broken many times. Keeping this in mind, I would say that a positive atmosphere has now been created. On the J&K issue, there has been progress. We have not arrived at a final solution yet. But if we continue this step-by-step approach, at some point of time we will possibly have the final solution that Musharraf talks of.

Question: Any solution would involve public opinion and a domestic consensus. Are we doing that?

Answer: In a world where television channels and newspapers report every single move of the government, everything is known to the people. The public is well aware of what is happening. Political parties ought to formulate their positions also.

Question: When you were appointed foreign minister, it was felt that with your experience, you would bring political direction to foreign policy and help to rebuild the traditional national consensus that has been ruptured in recent years. Are you any closer to those expectations?

Answer: I would not say it has been repaired but surely we have made efforts to build up a consensus. If we keep people informed, if we have regular discussions in Parliament, there should be no problem. Apart from our Left colleagues, with whom we are in regular touch, we will try to carry other people. It is easy to create consensus on foreign policy.

Question: Why do you say it is easy?

Answer: All the ongoing processes began during the NDA period. The

dialogue process with Pakistan was restarted in 1998 when Vajpayee was the Prime Minister. And we are carrying it on. The dialogue with China and the appointment of special representatives to discuss the boundary question were done by the NDA government. In fact, the process with China is a continuation of the agreement made in 1995 - when I was the external affairs minister - to open two border trade points. So there is a continuity in foreign policy.

Question: There is a feeling that your government is defensive about what the BJP says. You pulled out of the bilateral talks with Pakistan when the BJP accused the government of being soft on terror after the Mumbai blasts.

Answer: We did not pull out of the talks. We simply postponed them. There is no question of being defensive. We took note when police said there was prima facie evidence of linkages to Pakistan in the Mumbai bomb blasts. Our Prime Minister said when innocent people are targeted, the government has to be sensitive to public anger. No sensitive government can carry on talks. The BJP government did the same thing after the attack on Parliament. But unlike them, our reaction was measured. We have had serious concerns about terrorists using Bangladesh as a base, but the response from Dhaka has been unsatisfactory.

Question: The response has not been very positive. But if a sovereign government denies it, what can we do?

Answer: There are close cultural ties between Bengal and Bangladesh. But culture failed to help bond the two countries better. It is the same with Pakistan. After all, it was once one country and it is now divided. But we don't have adverse relations with Bangladesh. Our trade, economic and political relations are improving. **Question:** Are you optimistic about SAARC? **Answer:** Once SAFTA becomes operational, it will gather momentum. We have some problems with Pakistan. But I am optimistic.



263. Address of Prime Minister Dr. Manmohan Singh to the Federation of Indian Chambers of Commerce and Industry Annual General Meeting.

New Delhi, January 8, 2007

Wish you all a very happy and prosperous new year! I am happy to be here once again at your Annual General Meeting. I compliment Shri SK Poddar and Dr. Amit Mitra for their energetic leadership of FICCI during the past year. I wish Dr. Habib Khorakiwala a very active and productive year ahead. I am impressed by the quiet efficiency with which Dr Mitra has re-energised FICCI over the past decade. I must thank him and FICCI for the support that has been extended for the many initiatives of our Government.

Organisations like yours, with your extensive contacts, have played a constructive role in facilitating greater political consensus in favour of economic policies that will take our country forward. There is, however, an unfinished agenda that is yet to be completed. You have, therefore, much more work to do in shaping policy in the year ahead!

Ladies and Gentlemen,

We meet at a very opportune moment in our recent history. There is an air of optimism about our economic prospects. The manufacturing sector is buoyant and both old and new industries find new markets emerging. The services sector continues to drive growth and generate employment. For the first time ever the annual inflow of foreign direct investment, measured in billion dollars, will go into double digits.

From being demand-constrained in the past, economic growth now appears to be supply-constrained. Be it power, be it port capacity, be it supply of skilled manpower - a variety of supply bottlenecks are holding the growth rate back. A major responsibility for us in government is to help relax this supply constraint. If a youthful population is our asset, we need to make them skilled and capable of securing gainful employment. This requires a huge expansion in vocational education and this is certainly on the anvil. We have started work on a Vocational Education Mission and I hope to see tangible steps being taken in this direction in the coming few months.

The Government and our macro-economic authorities also have the responsibility of ensuring that fiscal discipline is maintained even as we

work to promote growth with equity. Our tax regime should be liberal, but equitable. It should be transparent and not subject to administrative discretion. I have great faith in the inherent honesty of our people, and we must respect that. When there is transgression it must be visited upon by predictable action. The introduction of VAT in most states of the country has been a matter of satisfaction. We will now move towards a common GST and better harmonization of VAT rates as well. In the long run, our tax regime should not have too many exemptions which make tax administration an unnecessarily complex exercise vulnerable to misuse.

It is also incumbent upon us to ensure transparent functioning and regulation of markets. Even the most open market economy requires regulatory supervision. In hopeful and optimistic times such as these, we must guard against irrational exuberance and ensure stability of markets.

One of the areas of successful reform in the past decade has been that of the financial sector. India's standards and regulatory institutions are world class. We have to preserve the integrity of this system and ensure that financial discipline is maintained. Our monetary authorities have the responsibility to ensure stability in the financial, foreign exchange and money markets while sustaining the growth process. As we gradually integrate India into the global financial system and as we gain confidence in our economy's abilities, we will gradually move into a less restrictive forex regime. The recommendations of the Tarapore Committee are a step in this direction, mixing caution with optimism.

Ladies and Gentlemen,

I must draw your attention to the fact that our sense of optimism must be balanced by realism about the problems at hand and the hurdles we still need to cross. Even as the optimism about our prospects makes us hold our head high, realism about the challenges we face ensures that our feet are firmly on the ground. A realistic appreciation of what needs to be done is necessary.

Amidst all the hype about accelerating growth and a buoyant market, we must not lose sight of the fact that we have to sustain a much higher rate of investment, keep inflation under control, generate more employment, impart a new element of dynamism to our agriculture and wage a decisive war against poverty, ignorance and disease.

To win this war, however, we need more productive investment. We have to create more jobs in the non-farm sector, both in rural and urban areas.

The revitalization of our agriculture is an opportunity and a challenge - both for the government and the private sector. If we have to bridge the rural-urban divide and the regional economic divide, we need to transform the agriculture and allied sectors. The problems are well known. We need to look at efficient and effective solutions. As I see many business houses entering into mass retailing, I hope the supply chains being built reach out directly to farmers, ensuring more remunerative prices. The Integrated Food Law has been passed by Parliament and we will be operationalising this in the next few months. This will impart new dynamism to agro-processing. We have to invest more and invest efficiently in better infrastructure - both the physical infrastructure which Mr. Poddar referred to and the social infrastructure of health and education. This we are committed to doing.

Ladies and Gentlemen,

I do believe that in the past two years our Government has succeeded in altering the state of expectations in the economy. Apart from the higher rate of investment, which is now at an all-time peak of 31% of GDP, what has sustained the above 8% annual rate of growth of the economy is the altered state of expectations. New opportunities are being created to promote public private partnerships for the expansion and modernization of infrastructure sectors. Not only do we have a goal of investing over US\$ 320 billion in our infrastructure sectors, we have also created the necessary institutional structures and tangible investment opportunities to enable this investment to actually happen.

In fact, the turnaround and the revitalization of Indian railways is a classic example of what good governance with a focus on basics can achieve in a short period of time. The unparalleled growth taking place here and the public private partnerships happening in the dedicated freight corridor, the operation of container trains and the management of railway stations is an example for all other infrastructure sectors. Even the road sector has an extensive plan for rolling out top class highways in every nook and corner of the country through a BOT model. As Mr. Poddar has mentioned, the Ultra Mega Power Projects have demonstrated the possibility of producing power at extremely competitive rates through private investment. However, we still need to clean up the act in this critical sector and the meeting of Chief Ministers which has been called in February will address the bottlenecks constraining this sector, particularly the viability of distribution companies. It is my solemn assurance that the power sector will secure the priority attention of our government this year.

Ladies and Gentlemen,

Like Lord Keynes, I do sincerely believe that in a world of uncertainty, risk-taking and enterprise are deeply influenced by the state of expectations. When investors worry about the present and are uncertain about the future, investment activity is undoubtedly dampened. However, when investors are reassured by the present and reasonably optimistic about the future, they invest in it. Today the state of expectations of investors is positive. They feel reassured by the various steps we have taken and by the new dynamism exhibited by Indian enterprise and professionals in recent years.

However, to sustain this positive state of expectations we need able political and economic management. We need farsighted leadership at all levels. We need, above all, greater political consensus in favour of forward-looking policies. Policies that attract new investment, create new jobs, create new capabilities and skills. Policies that empower our producers, our workers, our farmers, our artisans, our engineers and scientists and all productive sections of society.

I am aware that there is much we have to do to further accelerate the growth rate and make growth more inclusive. The Approach Paper to the Eleventh Five Year Plan sets out in detail the constraints facing the economy and the policies we must adopt to step up the rate of growth of savings, revenues, investment, income and employment. I am confident that our economy now has the steam and the energy to move to a higher growth trajectory. Our Government will take all necessary steps to sustain the buoyancy in the economy and the optimism of investors. I notice that not all proposals for investment in large projects materialize owing to various hurdles and bottlenecks. Many of these require inter-ministerial action or close coordination between the center and the states. I will ask the Finance Ministry and the Investment commission to suggest an institutional mechanism whereby large scale projects in the public and private sectors are facilitated so that they take off as planned.

Ladies and Gentlemen,

It is our responsibility in Government to create an environment conducive to improved economic performance. Equally, it is the responsibility of business to ensure that our firms become more globally competitive. Our economy has to be more closely integrated with that of our immediate and distant neighbours. FICCI has played an active role in promoting the idea of regional economic cooperation both in the context of South Asia and South-east Asia.

Later this week I will be participating in the East Asian Summit. We remain committed to increased economic interaction between India and the economies of East and South-East Asia. We would also like to be a member of the wider Asian Economic Community. This requires greater openness on our part. Indian industry must be prepared for this. We have laid out a timetable for tariff reduction and we must adhere to it. Indian industry can no longer seek excessive protection through tariffs and must prepare for the brave new world of global integration.

Indian business must also be prepared for a more fast-track economic integration in South Asia. As the region's largest economy, we must be more open to our neighbours. I must compliment FICCI for the initiative it had taken nearly a decade ago to strengthen business-to-business relations between India and Pakistan. I recall that a FICCI delegation had gone to Pakistan in 1995 to promote closer economic relations. Thanks to FICCI's efforts, the India-Pakistan Chamber of Commerce and Industries was set up. I hope Indian and Pakistani business leaders, as indeed business leaders from the region as a whole, will strengthen the hands of the political leadership in promoting peace, security and friendship in our region.

I sincerely believe, as I have said so often, that the destiny of the people of South Asia is interlinked. It is not just our past that links us, but our future too. India cannot be a prosperous, dynamic economy and a stable polity if our neighbourhood as a whole is also not economically prosperous and politically stable. Similarly, our neighbours cannot prosper if India does not do so as well. There are enormous opportunities for promoting mutually beneficial cooperation in South Asia. To exploit these opportunities, the nations of South Asia have to work sincerely to control the scourge of terrorism and extremism.

Recently, at a public meeting in Amritsar, I spoke of how I envision relations with Pakistan. I earnestly hope that the relations between our two countries become so friendly, and that we generate such an atmosphere of trust between each other, that the two nations would be able to agree on a Treaty of Peace, Security and Friendship. In the increasingly globalised and integrated world we live in, political borders are no longer economic and social barriers. I dream of a day when, while retaining our respective national identities, one can have breakfast in Amritsar, lunch in Lahore and dinner in Kabul. That is how my forefathers lived. That is how I want our grandchildren to live.

Ladies and Gentlemen,

These are good times for Indian business. But with greater opportunity comes greater responsibility. You must pay due attention to improved corporate governance. You must be sensitive to the urgent need to protect our environment and to prevent degradation of our land, water and air resources. You must ensure that the interests of your shareholders and stakeholders are best served. Even as you demand a more hospitable environment for business, you must become more socially responsible. There is no reason why the spread of industrialization should be a contentious process. Issues such as land acquisition and displacement of people and their rehabilitation and resettlement should be transparently addressed. We will be finalizing a new Rehabilitation Policy in three months and this will be more progressive, humane and conducive to the long term welfare of all stakeholders. Indian industry must be sensitive to the need to empower the weaker sections of society, particularly the scheduled castes, scheduled tribes and minorities, so that they can benefit equitably from processes of economic and social development. Industrial development is not a zero sum game. It can be a win-win process for all sections of society.

If we act wisely and with the best interests of the country at heart, we can transform our economy and society. I believe we are on the threshold of a new era of knowledge-based development. The country requires long-term and strategic thinking. As captains of Indian industry you can play a proactive and constructive role in this regard.

In a democracy politicians will perforce take a short-term view. After all, one has to be in office to make a difference! A politician has to think of the next election, even if he speaks for the next generation! You might perhaps say that your horizon is even more limited. That you have to think about the next quarter's balance sheet results! That is fair enough. However, it is incumbent upon all of us to think of our country's future, and the need to build a progressive and equitable polity and society. It is with this sense of patriotism and forward looking thinking that FICCI came into being. I urge you to continue to work with that spirit of your founders and stay faithful to their grand vision and aspirations. I wish your Annual Meeting all success.

Thank you.



264. Interview of External Affairs Minister Pranab Mukherjee with the weekly *India Today*.

New Delhi, January 12, 2007.

[The quintessential politician and a veteran of many a political battle, Pranab Mukherjee, as external affairs minister, is typically in the thick of things. Not only does he continue to head a dozen important government committees but is now on a hectic tour of India's neighbours including Pakistan and the ASEAN summit at Cebu to promote India's foreign relations. Before he left, he sat down for an hour-long interview with INDIA TODAY Editor Prabhu Chawla and Associate Editor Saurabh Shukla in the executive drawing room of South Block. Excerpts from the interview:]

Question: As part of your tour of India's neighbours you would also be making your first visit to Pakistan as foreign minister. What is your agenda?

Answer: I am going to Pakistan, firstly, to extend an invitation to President Musharraf to attend the 14th SAARC Summit. That is the official purpose. And surely we will not discuss the weather, we will discuss issues which are there. We will discuss SAFT with all other SAARC countries, tariff reduction has been finalised. But with Pakistan this has to be done still. Similarly, we would also like to review at the foreign ministers' level the third round of Composite Dialogue that just got over.

Question: The biggest impediment to the peace process is the issue of terrorism. Will you be seeking an assurance from General Pervez Musharraf that all terrorist acts against India will stop?

Answer: The assurance was obtained by Atal Bihari Vajpayee on January 6, 2004. President Musharraf assured him that Pakistani territory or Pakistani-dominated territory will not be allowed to be used by terrorists. The question is not of assurance; the question is how these assurances are actually implemented.

Question: You said General Musharraf's promises on terrorist camps are not being implemented. You used the word "unconvincing".

Answer: What I stated is that infrastructure of launching terrorists has not been dismantled. His (Musharraf's) pledges have not been implemented.

Question: But do you think that the peace process will be affected if terrorism continues from across the border?

Answer: That is the issue which has been flagged at the foreign secretary-level meeting. We will flag it again.

Question: Do you think we can trust Musharraf now?

Answer: We have to deal with the head of a state. The basic presumption would be that we would trust each other.

Question: What about Jammu & Kashmir? Do you have any package solution?

Answer: I don't have any readymade solution.

Question: But are we discussing a Kashmir solution on the lines of the four-point formula that General Musharraf has been suggesting?

Answer: We are trying to resolve the issue of Kashmir in the context of Shimla Agreement, Lahore Declaration, and the series of talks which have taken place; we are having a composite dialogue of which resolution of the Jammu and Kashmir issue is a part. In that context we are going to discuss it. These are the issues that have been raised from time to time and the responses are there; you have heard the response of the prime minister in Amritsar.

Question: Are your allies constraining you on foreign policy choices, be it Sri Lanka, the US or Iran? Your allies are dictating foreign policy choices now.

Answer: No, not at all.

Question: But you have to do a lot of explaining to them.

Answer: Yes, as I have explained to my Left allies, I have equally explained it to the BJP leaders. Because parliamentary democracy demands that when there is a broad consensus in respect of foreign policy we should try to maintain that consensus. Keeping that in view, we apprised them of the developments which took place in our neighbourhood.

Question: There have been reservations over the Indo-US nuclear deal. Even the scientists have opposed the deal.

Answer: No, only a section of scientists have opposed it. They have expressed their concerns. But these concerns will not be ignored.

Question: So are you saying that you will go for 123 agreement only if

those concerns are taken care of?

Answer: Of course, that is the commitment we have made.

Question: Are you also saying that in the current form the deal will not go through, unless your concerns are sorted out?

Answer: Unless certain issues are taken care of, certain concerns are addressed, it would not be possible for us to go with it.

Question: The Congress is heading a coalition for the first time since Independence. So is handling coalition conflicts a major problem?

Answer: Of course, running a coalition government in a country like India is a difficult task. More so when Congress leads the coalition, since most of the political parties were anti-Congress. To have a coalition, to run a coalition government, you require a lot of adjustments, a lot of flexibility. But the success of the coalition Government to a great extent is the contribution of UPA Chairperson and Congress President Sonia Gandhi and Prime Minister Manmohan Singh.

Question: You could have done better if it was only a Congress-led government?

Answer: That would be a value judgement right now because we do not have the majority.

Question: But have you also compromised on your ideology?

Answer: Sometimes compromise is not bad. Sometimes absolute power creates problems. There is an old saying that power corrupts and absolute power corrupts absolutely.

Question: Don't you think that most national political parties are getting marginalised? Rather, people are looking up to industrialists and entrepreneurs.

Answer: I would not put this as marginalisation of politicians or political system. I would put it as the recognition of other sections. Earlier it was monopolised by politicians only. Now there are other sections of the society-industry, sports, academics, judiciary-which are important too. They too have roles to play.

Question: Your 1991-96 economic policies and the present ones are almost the same. But you lost the election then.

Answer: Compare my Budget of 1982 with Manmohan Singh's Budget of

1991. The policies which I proposed were almost the same but Indian industry strongly resisted my proposal for NRI portfolio investment. In 1991 it was welcomed because conditions had changed.

Question: In the reforms process, you have not been able to fulfill certain things like FDI in telecom and insurance. Labour reforms are also stuck. Is it because of coalition compulsions?

Answer: We have done whatever was possible through the administrative route. But where you require legislative support, you need the backing of others.

Question: Has the Left been more of a hindrance than an asset for you?

Answer: No, not at all. We are getting the support of all their 60 members solidly.

Question: But you are paying a price for it.

Answer: For everything, you have to pay a price. You are not running a single-party government.

Question: You have always been the number one minister. Weren't you upset when Manmohan Singh, whom you once appointed as RBI governor, became prime minister?

Answer: I am neither number one nor number two. I am just one of them.

Question: Don't you have prime ministerial ambitions?

Answer: Thank you for coming.



265. Statement of External Affairs Minister Pranab Mukherjee on arrival in Islamabad.

Islamabad, January 13, 2007.

I am happy to be here and this is my first visit to Islamabad. I am carrying the letter from Prime Minister Manmohan Singh inviting H.E Prime Minister Shaukat Aziz to attend the 14th SAARC Summit scheduled to be held in Delhi on 3rd and 4th April of this year. I would also extend invitation to H.E Foreign Minister Kasuri to attend the 28th SAARC Council of Ministers Meeting which would be preceding the Summit. I would also like to take the opportunity of calling on H.E President, Prime Minister and I will have discussions with my colleague H.E Foreign Minister of Pakistan. Naturally, matters of mutual interest and our bilateral relations will be discussed. We have made reasonable progress in three rounds of composite dialogue which is going on between India and Pakistan at the level of the Foreign Secretary, the last in November. The review of the third round of composite dialogue took place and it ended on a positive note. During my visit, I would also like to share the perception of the leaders of Pakistan on these issues. One point that I would like to emphasise, and would like to ensure, is that we are seeking the cooperation of all SAARC partner countries that the 14th Summit of SAARC should give a clear signal for removing the barriers and improving the connectivity in the subcontinent to ensure free flow of trade, commerce, goods, people and ideas. I strongly believe that this region has tremendous potential in building up its economy and if we can effectively operationalise SAFTA, it would be beneficial to each member country belonging to SAARC which is now an extended family, in the sense, that Afghanistan would be joining the Summit as the 8th member and, in addition, there will be Observers from Japan, USA and UK.

Thank you for the time.



266. Joint Press Interaction of External Affairs Minister Pranab Mukherjee with Foreign Minister of Pakistan Khurshid Mahmood Kasuri during his visit to Islamabad.

Islamabad, January 14, 2007.

Mr. Khurshid Mahmood Kasuri: It gives me great pleasure to welcome the Indian Foreign Minister Pranab Mukherjee and giving me an opportunity to reciprocate the hospitality that he showed to me and my wife during my private visit to Delhi. Today, we had a long and productive session; first we had a one to one; then we had informal delegation level discussion and a short formal session in which the Excellency handed over to me an invitation.

It is great pleasure to receive Mr. Pranab Mukherjee in Pakistan. We had useful exchange of views in cordial and constructive atmosphere. H.E Mr. Pranab Mukherjee's visit has provided a good opportunity to review the status of our bilateral relations. It is matter of satisfaction to note the overall improvement in relations between the two countries. Mr. Pranab Mukherjee called on the President and the Prime Minister of Pakistan. He also delivered letters to the Prime Minister and myself to attended the 14th SAARC Summit to be held in New Delhi. We reviewed the progress on all issues on the agenda of composite dialogue framework. We also took certain decisions. I would request H.E Mr. Pranab Mukherjee to read out these decisions for you.

Mr. Pranab Mukherjee: I would like to express my gratitude for extending very warm hospitality to me and to the members of my delegation. I would also like to apologize to all of you ladies and gentlemen for keeping you waiting for quite some time but this speaks that we had engaged in discussions. I had the privilege of calling on the President and the Prime Minister. I handed over the letter of our Prime Minister Dr Manmohan Singh to Prime Minister Shaukat Aziz, inviting him to attend the 14th SAARC Summit scheduled to be held in Delhi on 3rd and 4th April. I also had the opportunity of handing over invitation to H.E Foreign Minister Kasuri to attend the SAARC Council of Ministers meeting as it will be 14th SAARC Summit meeting and it would be 28th SAARC Council of Ministers meeting scheduled to be held one day before the Summit begins. We had a very fruitful and useful discussion. It was held in the most cordial atmosphere. We exchanged our views freely and frankly. As I have told you of having the privilege of calling on the President and the Prime Minister. Both of them received me very warmly. Since my arrival in Islamabad, though it is

my first visit, I never had the feeling that I was outside of my atmosphere or place, the hospitality is such. As he mentioned that we had the privilege of reviewing the Composite Dialogue. The review took place in Delhi last year when the two Foreign Secretaries met in last November. We also had detailed review and after detailed discussion on certain issues, we have come to certain decisions which I am reading for you:

- U I have invited the Foreign Minister to come to Delhi in connection with the meeting of Joint Commission which will be held in New Delhi in February 2007. Foreign Minister has kindly accepted my invitation. This is not related to SAARC.
- U We agreed to establish a committee on prisoners comprising retired judges of the superior judiciary to visit jails in the two countries and propose steps to ensure humane treatment and expedite release of prisoners who have complete their prison terms.
- U We have agreed to expedite the Liberalization of the Visa Regime and agreed to complete the work in February 2007.
- U Several agreements which are near or close to finalization will be concluded during the February visit of Foreign Minister Kasuri. These will include: a) The Agreement on Reducing the Risk from Accidents relating to Nuclear Weapons etc., b) Speedy return of inadvertent Line Crossers, c) Prevention of incidents at Sea.
- U On Siachen, we discussed the issue and decided that the officials will meet at an early date to address the issue.
- U We agreed to facilitate movement of diplomats to Noida and Gurgaun in India and Taxila and Hasan Abdal in Pakistan. Procedures for this will be worked out.
- U We agreed that the first meeting of the Joint Anti-terrorism Mechanism takes place before end of March 2007.
- U Regarding Sir Creek, the officials concerned will be directed to expedite their work. The joint survey of Sir Creek will begin on 15th January 2007.
- U We have decided to launch the Fourth Round of Composite Dialogue (and that) would be held on 13-14 March, 2007.

Once again, I take this opportunity for thanking Kasuri for extending hospitality to me and the members of delegation.

Question: Will India fulfill its commitment in handing over Jinnah House to Pakistan? How close you are after today's discussion on an agreement on Siachen?

Mr. Pranab Mukherjee: I am fully aware of the sentiments of the people of Pakistan in regard to Jinnah House. I respect the sentiments. We are fully aware of the issue and we will resolve the issue as expeditiously as possible. In response to your second question, we have discussed this issue several times, discussions have taken place. It would be difficult for me to give you the exact time frame but we have decided to instruct the official concerned to expedite the process.

Question: There is a general perception that if there is forward movement on Joint Mechanism on Terror, this will facilitate Premier Manmohan Singh to visit your country? How optimistic are you? If there is no support of the people, it becomes difficult to take it forward.

Mr. Khurshid Kasuri: I disagree with you. If the people did not support the peace process, it would have finished long ago. If there have been bomb blasts in India and Pakistan, accusing fingers have been pointed at each other. My own impression is that there is a strong support for the peace process notwithstanding the reservation the people in both countries have regarding each other. And that is the reason why we are going to launch the Fourth round of Pak-India composite dialogue. Regarding the anti-terror mechanism, this is in the interest of both the countries; Pakistan and India have suffered at the hands of terrorists. India has been voicing its concerns regarding certain people. We have also been voicing our concerns regarding certain regions and the people. We do not wish to queer the pitch or the atmosphere by going into the details. It is to say, we recognize India's sensitivities and hopefully India recognizes our sensitivities. If we are not serious, the President of Pakistan and the Prime Minister of India would not have agreed to the creation of Joint anti-terror mechanism in Havana. And if we were not serious, we would not have fixed the date for first meeting of anti-terror mechanism meeting.

Mr. Pranab Mukherjee: I will start from what my friend H.E. Foreign Minister has said that the very establishment of anti-terror mechanism is the outcome of the joint statement issued by Prime Minister Dr Manmohan Singh and the President Musharraf at Havana. Thereafter at the Foreign Secretary

level meeting in Delhi in November, the actual composition and the institution was worked out. Now we have decided and giving them a date by which they have to meet. Surely, when they will meet, they will work out the mechanism and we have decided to make this experiment fruitful so that this become an effective instrument to combat terrorism. Terrorism is friend of nobody and it is the biggest menace in the post- Cold War era and most of the countries recognize that it requires strong determination to combat terrorism and concerted efforts of the international community as a whole. Prime Minister has accepted the invitation and a suitable date will be fixed mutually through the diplomatic channels.

Question: Prime Minister desired friendship with Pakistan. Do you think without solution of Kashmir, there can be lasting friendship between the two countries?

Mr. Pranab Mukherjee: To have enduring peace and friendship between Pakistan and India is absolutely necessary. Of course, there are issues which ought to be resolved. And serious efforts are to be made to resolve these issues. The composite dialogue is leading towards resolving the issues. I do not think these two ideas are contradictory to each other rather they are complementary to each other. Problem resolution and institutional arrangements of ensuring peace are the two sides of the same coin and we are trying to attempt that¹.

Question: Time frame for Kashmir problem.... Musharraf proposals....?

1. On January 14 External Affairs Minister met some leaders of Pakistan for an informal breakfast meeting where he told them that the borders were not up for negotiations. But India was prepared to discuss all ideas towards the resolution of the Kashmir issue. He said India and Pakistan must learn from Europe that had set aside differences to forge a successful economic union. The Pakistani leaders expressed support for the peace process but wanted speedier progress on the resolution of the Kashmir dispute. Mr. Mukherjee's response was that if Europe could have put the bitterness of war behind for economic and trade cooperation in the European Union, he was hopeful that India and Pakistan would also resolve their differences for an enduring peace. He emphasized that India was in favour of a step-by-step approach to the resolution of the longstanding issues including Kashmir. EAM also gave the example of cooperation between the two countries in the aftermath of the 2005 earthquake and said that such cooperation should become routine. Responding to the question on the Musharraf proposals on Kashmir Mr. Mukherjee reiterated Prime Minister Manmohan Singh's statement that India was ready to consider all ideas but there would be no change in the borders. Those present at the meeting were: President of the ruling Muslim League (Quaid) Chaudhary Shujaat Hussain, Leader of the Opposition and head of the Jamaat-e-Ulema Islami Maulana Fazlur Rehman, Parliamentary leader of the Pakistan People's Party Makhudum Amin Fahim, President of the Awami National Party Asfandyar Wali Khan, and deputy convener of the Muttahida Qaumi Movement Farooq Sattar.

Mr. Pranab Mukherjee: You have answered your own questions when you referred that problem is existing for the last 60 years. In these 60 years, several attempts have been made starting from Simla agreement in 1972 to latest Havana declaration by the statesmen of the two countries. Unfortunately, we have not been able to resolve this issue. It is difficult to give a time frame because talks are going on. In respect of the proposals of President Musharraf, you have read the response given by the Prime Minister Dr Manmohan Singh that all these issues should be discussed and we are ready to consider each and every idea to find a solution.

Mr. Khurshid Kasuri: In addition to what H.E. has said, we have never in the past 60 years, have such a sustained discussion on Jammu and Kashmir as we have this time. And it is no secret that it is being discussed at various levels. The very fact that the Prime Minister of India made those positive statements should be a reflection the way this matter is progressing.

Question: Musharraf said there should be joint control. What is India's reaction? Mr Kasuri, can you give us more details about your discussion on Siachen?

Mr. Pranab Mukherjee: So far my response to first question is concerned; I have already mentioned that the Prime Minister has given his views in Amritsar. Any idea of resolving the issues could be considered, examined and an attempt to be made to find a solution.

Mr. Khurshid Kasuri: On Siachen, let me say here although I was accused by media both in India and Pakistan of being overly enthusiastic, I will repeat what I have said there. Given the political will, it can be resolved in days. Lot of work has been done. H.E. Mukherjee and I are aware what work has been done. Today, we had a discussion and we agreed that the officials meet early. Some things are there I cannot go into details publicly. I told him that if the intention was to find where the troops were, we could find means and ways to meet India's concerns. But we have to go and let the officials meet. Their meeting is necessary for a comprehensive plan (that) Foreign Secretary of Pakistan handed over to India during his last visit. That is a package. It does meet the concerns of the two sides. Package in our opinion takes into consideration the concerns of the two sides. Today, we reviewed that. If India's concerns are where the troops are, means and ways can be found.

Question: ISI sponsoring the insurgency...?

Mr. Pranab Mukherjee: It is the responsibility of any government to take

appropriate steps to prevent insurgency and the government of India is doing the same. So far the involvement of certain agencies are concerned, we are aware of it and we have brought it to the notice of appropriate authorities.



267. Press Release of the Ministry of External Affairs on the award of the neutral expert Prof. Raymond Lafitte on the design of the Baglihar Dam.

New Delhi, February 12, 2007.

1. The overall design of the Baglihar dam being built by India on the Chenab as a run-of-river plant has been upheld by Prof. Raymond Lafitte, the Neutral Expert (NE) appointed by the World Bank to consider Pakistan's objections to the Baglihar project, in his decision delivered today in Berne to the representatives of India and Pakistan.
2. The NE has emphasized the need to incorporate state of the art technology for projects built under the Indus Waters Treaty for reasons of safety and optimum utilization of the waters. He declares that "the general rules of treaty interpretation allow him to have recourse to rules of science and technology and the state of the art practices, in his assessment of the concept and design of the Baglihar Dam and Hydro Electric Plant".
3. The decision of the NE recognizes India's right to utilize the waters of the Western Rivers more effectively, within the ambit of the Treaty, for power generation.
4. This is the first time since the signing of the Indus Waters Treaty 1960 that a Neutral Expert has been appointed. Pakistan's request made on 15th January, 2005 raised a number of Points of Difference for Expert Determination in respect of the design of the Project on the basis that certain features of the design did not conform to criteria specified in the Treaty. Pakistan contended, inter alia, that conditions at the Baglihar site did not require a gated spillway; that the spillway gates were not at the highest level; Indian calculations of the design flood and the height of the dam (Freeboard) were excessive; India's calculation of the required Pondage of 37. 5. MCM was also too high as the correct Pondage

should be 6.22 MCM; and that the level of intakes for the Power Plant were not at the highest level as required by the Treaty.

5. After consulting the Governments of India and Pakistan, the World Bank appointed Mr. Raymond Lafitte, Professor at the Federal Institute of Technology of Lausanne, Switzerland as the Neutral Expert (NE) on 10th May, 2005.
6. During the 18 months period after his appointment, the NE held 5 meetings - in Paris, Geneva, London, Paris & Washington and also visited the Baglihar site and its hydraulic model at Roorkee. The Parties made written and oral submissions during the course of the Expert Determination.
7. The NE after a detailed analysis of a data base of about 13000 dams from the International Commission on Large Dams (ICOLD)'s World Register of Dams to analyse the type of spillway, gated or ungated, and a historical review of construction of large orifice outlets as well as a consideration of ICOLD guidelines, held that the site conditions at Baglihar require a gated spillway, and also held that in view of the high flood discharges and heavy silt loads, India's design of gated spillways - both chute (surface) spillway and sluice spillways, as well as the number, size and location of their gates for the Baglihar dam complies with the design criteria set out in Annexure D of the Indus Waters Treaty.
8. This important element in the NE's Determination will deeply influence all future interpretations of the Indus Waters Treaty. The NE has observed that the present day state of scientific and technical knowledge with advances in technology in dam design, not known or developed in 1960, can and should be utilized in dealing with problems such as those posed by heavy sediment which shorten the effective life of a plant. He is of the view that the reference in the Treaty to conceptual notions such as the need to ensure "satisfactory construction and operation", "sound and economical design" and "customary and accepted practice of design" clearly not only permit but require use of latest technology. The NE has adopted the principle of effective interpretation which gives full effect to the rights and obligations provided by the Treaty, taking into account its object and purpose set out in the Preamble which is "attaining the most complete and satisfactory utilization of the waters of the Indus System of rivers".

9. The NE accepts and regards as prudent India's calculation of the design flood of 16,500 cumec (as against Pakistan's figure of 14,900 cumec) in view of the uncertainties of flood analysis, possibilities of climate change etc.
10. The NE observes that the designer of a spillway is not only faced with the problem of flood control but also with that of sediment control and cites the "ICOLD" to note that the state of the art is today that "Bottom outlets may be used for under sluicing of floods, emptying of reservoirs, sluicing of sediments and preventing sediment from entering intakes etc."
11. Accordingly, India's design of sluice spillway at Baglihar with five outlets is regarded as appropriate and permissible under the Treaty for sediment control of the reservoir and evacuation of a large part of the design flood and being in conformity with the international practice and the state of the art. This decision will help India to deal more effectively with the problems of sedimentation in its future projects as the NE has confirmed India's design of large bottom outlets (sluice spillway) as the most important technique to be employed in managing the high volumes of sediment which characterise the Himalayan Rivers. Incidentally, this had been an element of strenuous objection and India, in the course of the Expert Determination, constantly maintained that India's design to deal with sedimentation problems by modern methods does not in any way interfere with the flow of waters of the Chenab River into Pakistan as required by the Treaty.
12. Based on the guidelines of ICOLD, the NE considers that the freeboard could be reduced by 1.5 metres. In this context, it is to be noted that India, in the spirit of good neighbourly relations, had offered possible reduction of freeboard to Pakistan even before the process of Expert Determination had started.
13. According to the NE, the first objective of "Pondage" is to regulate the flow of the river to meet the consumer demand. He considers that "Pondage" volume should be calculated taking into account only the variations in the load thus confirming the methodology adopted by India for calculation of Pondage. He disagrees with Pakistan's method of determination of "Pondage" i.e. with the objective of operating the plant at constant power and regulating the fluctuations in the river flow. The NE has recognized the uncertainties in

projecting future load variations. He has arrived at a slightly lower value of 32.56 Million Cubic Metre (MCM) of maximum permissible "Pondage" as against India's design of 37.50 MCM. The NE has arrived at the lower value as he adopted a daily pattern of power generation which is slightly different from that adopted by India. As a result, there will be a minor change in the schedule of peak power generation. However, the number of hours of power generation per week would remain at about 49 hours as designed by India. According to Pakistan's calculations, the maximum "Pondage" allowed was 6.22 MCM.

14. Another Point of Difference raised by Pakistan was regarding the elevation of Intakes for the Turbines for the Plant. The Treaty requires these to be located at the highest level, consistent with satisfactory and economical construction and operation of the Plant and with customary and accepted practice of design for the designated range of the Plant's operation. Pakistan had suggested that provision of anti-vortex devices could raise the intake levels by about 7 metres from that designed by India. According to the NE, the normal practice is to go in for an appropriate arrangement of the intake structure. In particular cases where this is not possible for technical or economic reasons, then recourse could be taken to anti-vortex devices. The NE has also observed that the intakes should be so located as to avoid asymmetrical flow of water towards them. From his application of well known semi-empirical formulae, the NE considers that it is necessary to raise the power intakes by 2 metres and an additional 1 metre to allow for the slight reduction in "Pondage". While the Indian designers of the project do not agree with the NE's approach, as it reduces the water seal by 2 metres, no difficulty is expected in incorporating this change in the design of the Baglihar Plant.
15. The three elements of design which require marginal changes, i.e. reductions in freeboard and Pondage and increase in the height of the Intakes, all arise from calculations and not from basic principles.
16. The NE's Final Determination confirms that India's design has been compliant with the basic principles of the Indus Waters Treaty.



268. Briefing by Official Spokesperson on the blasts in Delhi-Attari Express train.

New Delhi, February 19, 2007.

Official Spokesperson: Good afternoon everybody. We have a statement, some of which has already been conveyed to you earlier on during the day, but to put it all together...

"Government of India strongly condemns the blasts in Train No. 4001 Delhi-Attari Express (link train of Samjhauta Express) at around mid-night of 18-19 February 2007. Two of the 16 coaches caught fire. At least 64 people were killed in the fire and several others injured. The cause of the fire is being investigated. Our immediate priority is to deal with the humanitarian consequences of the tragedy. The injured have been taken to hospitals in Panipat and in Delhi. The dead include a number of Pakistanis, many of them burnt beyond recognition. They are being identified with the help of the Pakistani authorities. A team of officials from Pakistan High Commission in New Delhi is on its way, and possibly already there now in Panipat.

The passport numbers of the passengers in the unreserved coaches affected by the explosions have been sent to Pakistani authorities for assistance in identification of the dead.

Visas will be issued to relatives of the dead and injured by the High Commission of India in Islamabad, which will set up a visa camp in Lahore for this purpose. We will also arrange for their travel from Attari/Wagah to Panipat and to Delhi. Two officials from Pakistan Railways are also expected to come to Attari to assist the passengers who have by now reached Attari.

We convey our heartfelt condolences to the victims of this gruesome tragedy. Government will make every effort to bring to justice the perpetrators of this heinous act."

As you can see this is a developing situation and we may have updates later, which we will keep giving you. I am not really in a position to take too many questions after what I have said.

Question: Are you seeing it as a terrorist attack? Are you calling it a terrorist attack?

Official Spokesperson: Well there has been an explosion and it has resulted in a gruesome tragedy. I think you do not need any more classifications.

Question: How many of them are Pakistani nationals?

Official Spokesperson: Unfortunately, we do not have that break up. It is very difficult to ascertain, the entire process is being carried out in cooperation with Pakistani authorities. We have supplied the passport numbers of the passengers who were in the affected bogies. There are attempts to try and identify the bodies.

Question: Were both bogies unreserved?

Official Spokesperson: So I understand, but I am subject to correction. You might like to also check with Railway authorities.

Question: Has there been any change in schedule as far as Mr. Kasuri's visit is concerned?

Official Spokesperson: Well for that we are putting up a separate press release. I can tell you that the visit takes place from 20 to 23 February 2007 for the fifth meeting of the India-Pakistan Joint Commission which will be held on the 21st February 2007. As far as the Joint Commission is concerned, six of the eight technical-level Joint Working Groups have already met on 2006. The remaining two, Education and Information, will meet on 20 February 2007. An Agreement on "Reducing the Risk from Accidents relating to Nuclear Weapons" will also be signed between the two countries on 21 February 2007.

Question: Have there been any contacts with the Pakistani authorities? Has Mr. Menon spoken to his counterpart?

Official Spokesperson: I am not aware of any such contact. I do know that at the operational level, Pakistani High Commission officials were facilitated in travelling to Panipat.

Question: How many of them travelled?

Official Spokesperson: Four, I understand, from your own channels.

Question: Mr. Sarna, the Pakistani Foreign Office spokesperson Tasnim

Aslam has said that it was up to Indian authorities to provide security on this train to their passengers. Any response to that¹?

Official Spokesperson: I do not think this is the time for searching for headlines and I am not even sure as to whether your quotation is quite correct. It is a tremendous humanitarian tragedy. Let us keep our eye on that, let us try and bring succour to those who are injured and to the kin of those who are dead.
Thank you.



269. Press Release of the Ministry of External Affairs on the phone call received by Prime Minister Dr. Manmohan Singh from Pakistani Prime Minister Shaukat Aziz on the bomb blast on the Samjhauta Express train.

New Delhi, February 19, 2007.

The Prime Minister received a phone call from Prime Minister Shaukat Aziz of Pakistan this evening in connection with the bomb blast on the Samjhauta Express late last night soon after it left Delhi. The Prime Minister declared India's abhorrence for this heinous terrorist act and reaffirmed our commitment to doing everything possible to ensure that its perpetrators are punished. The focus at this time is on the humanitarian aspect; the Prime Minister conveyed his condolences for the Pakistani victims of this tragedy, and indicated the steps taken to provide all possible assistance for the injured and bereaved¹.



1. While India promised Pakistan full investigations into the incident and even offered to share the findings with Pakistan, the Pakistan National Assembly passed a resolution asking for a joint investigation. External Affairs Minister Pranab Mukherjee on February 21 ruled out a joint investigation. Addressing a joint press conference with Pakistan Foreign Minister Khursheed Mehmood Kasuri, he said, "as per the law of the land, the probe will be conducted by India and the results shared with Pakistan." Reiterating India's promise that the Sunday carnage perpetrators would be brought to book, he said the "basic objective" of the anti-terror mechanism, scheduled to meet in Islamabad on March 6, was to both share and act on the information passed on between the two nations. He hoped that meeting would be "meaningful." Describing the blasts as a "horrendous tragedy," Mr. Kasuri said the incident underlined the need for cooperation between Islamabad and New Delhi. He confirmed that the results of the Indian probe into the Samjhauta Express attack would be shared with Pakistan on March 6.

270. Press Release of the Ministry of External Affairs on the Areas identified for cooperation by Joint Working Groups of the India-Pakistan Joint Commission.

New Delhi, February 21, 2007.

- U The working group on Environment has discussed the decline in Vulture population; conservation of Migratory Water Birds; Clean Development Mechanism; cooperation in establishing Botanical Gardens in Pakistan; sharing of experience in Desert Afforestation; Environment Protection and conservation & efficient use of energy resources.
- U The working group on Science & Technology discussed the subjects of medicinal plants, herbal medicines, Biotechnology, Renewable Sources of Energy and popularization of science. Probable ways of cooperation agreed included Joint workshops, seminars, exploratory visits, training and collaborative research.
- U Under Tourism possible areas for cooperation identified are Human Resource development in tourism sector, exchange of statistics/promotional material, familiarization tours by travel agents & tour operators and the role of public-private partnership.
- U The working group on Agriculture discussed the subjects of production of quality seeds, agricultural research and quarantine issues concerning trade in livestock/meat.
- U Discussions in the working group on Health covered the areas of Control of polio, management of Avian Influenza, public-private partnership in healthcare and family welfare, health related Intellectual Property Rights, Capacity Building in health sector, administrative structures relating to drugs and pharmaceuticals in the two countries and traditional systems of medicine.
- U Possible areas for cooperation identified by the group on IT & Telecommunications included Telecom policy, e-governance, IT education & training, telemedicine and IT-enabled services.
- U The issues discussed by the working group on Education included cooperation in higher education sector in various fields, institutional linkages between University Grants Commission and HEC of Pakistan, exchange of printed material relating to educational

development, sharing of experiences by NCERT & National Book Trust of India and National Book Foundation of Pakistan and exchange of expertise in the field of elementary, secondary and adult education.

- U The working group on Information discussed issues concerning participation in seminars by journalists, media coverage of historical and religious events in the two countries, combating piracy of films, music and channel contents and exchange of radio, television programmes and films.



271. Joint Press Interaction by External Affairs Minister Pranab Mukherjee and Minister of Foreign Affairs of Pakistan Khurshid Mehmood Kasuri.

New Delhi, February 21, 2007.

External Affairs Minister (Shri Pranab Mukherjee) :Good afternoon. I would like to once again welcome His Excellency the Minister of Foreign Affairs of Pakistan and his distinguished delegation who are visiting India for the 5th meeting of the India-Pakistan Joint Commission, which concluded a little while ago. As you know, this meeting took place two days after a gruesome tragedy that struck the Delhi-Attari express that links up with the Samjhauta Express. We strongly condemn the blasts in which at least 68 innocent lives were lost and several other persons were injured. We convey our heartfelt condolences to the victims. All efforts are being made to identify the dead bodies and to give succour to the bereaved families. Government of India will make every effort to bring to justice the perpetrators of this heinous act.

The holding of the Joint Commission meeting as scheduled is a reaffirmation of the commitment of both India and Pakistan to the dialogue process. At its 4th meeting in October 2005, the Joint Commission had constituted 8 technical level Joint Working Groups on Agriculture, Health, Science & Technology, Information, Environment, Tourism, Education, and I.T. & Telecommunications. Six of these Working Groups had met in 2006 and the remaining two, on Education and Information, met yesterday. We complimented the leaders of the Working Groups from both sides for their commendable effort in identifying areas of cooperation. Their reports were

presented at the Joint Commission and discussed. A summary of the deliberations of the Working Groups is being circulated separately. I am confident that the Joint Commission's deliberations will lead to greater bilateral cooperation and provide a structural basis for improving the relations between our two countries.

In addition to discussions under the Joint Commission, you have also witnessed the signing this morning of the Agreement between India and Pakistan on "Reducing the Risk from Accidents Relating to Nuclear Weapons".

In my meeting with the Foreign Minister of Pakistan, we also reviewed the progress in our bilateral relations since we last met in Islamabad on 13 January 2007. We are happy to note that the joint survey of Sir Creek is progressing smoothly and that the Thar Express resumed service on 17 February. We hope that the meeting of the Joint Anti-Terror Mechanism in Islamabad on 6 March will be meaningful and the fourth round of the Composite Dialogue to be launched by the Foreign Secretaries in Islamabad on 13-14 March will promote bilateral relations further.

Today, I have also handed over to my distinguished guest, the Pakistan Foreign Minister, a list of the relatives of Indian Prisoners of War who would like to visit Pakistan in April 2007. You would recall that Pakistan had agreed to receive them during my visit to Islamabad last month.

May I now invite my distinguished guest, Foreign Minister Kasuri, to make a brief statement after which we can take a few questions. Thank you, ladies and gentlemen.

Minister of Foreign Affairs of Pakistan (Shri Khurshid Mehmood Kausri): Thank you, Excellency.

First of all, I would like to thank my colleague His Excellency the External Affairs Minister and also the Government of India for the hospitality that my delegation and I have received since our arrival here. Unfortunately, our arrival and the meeting of the Joint Commission were preceded by that horrendous tragedy that struck passengers who were traveling from Delhi to Attari on their way to Lahore. There are no words strong enough to condemn this act of heinous crime. Of course, it has underlined the need for cooperation further more. I have no doubt that the meeting of the anti-terror mechanism which is supposed to meet in Islamabad will take cognizance of this. The Prime Minister of India in a telephone call to the

Prime Minister of Pakistan had said that he would share the results of the investigations and I am sure that when the anti-terror mechanism meets in Islamabad, this will be a very high item on their agenda. Our hearts go out to those who suffered and the relatives of those who died.

I would like to take this opportunity to place on record our appreciation for the services of the doctors. I personally visited the hospital yesterday and the doctors were really taking very good care of the patients. Unfortunately, one of those people died yesterday and another one is in a very critical condition. I would simply say that the Government of Pakistan has made all the arrangements for the relatives to travel here and the Government of India has promised and is extending support to those who would like to come here to either identify the dead bodies or to meet with those who are injured. The Government of Pakistan has also arranged for those people who have been grievously injured – actually some people have 40 per cent burns on their bodies – and we made arrangements for those who can travel to be taken to Pakistan.

As you know, the purpose of this meeting was to attend this Joint Commission – this is the fifth one. This is another sign of increasing cooperation between Pakistan and India. We examined the possibilities of cooperation in the areas of Education, Information, IT and Telecom, Health, Agriculture, Tourism, Science and Technology, and Environment. I am happy to say that the co-chairs of these various groups were able to identify areas of cooperation. I suggested that for the next meeting of the Commission, these meetings should have taken place much earlier so that when my colleague and I meet we can witness greater progress. Considering the devotion of the co-chairs and other members, I feel that that will be the case.

I did utilize this opportunity to discuss other matters with my distinguished colleague. You remember that when we were in Islamabad we had agreed to various measures. One of those was regarding the conditions of prisoners. We tried to rise above our partisan considerations today purely from the point of view of human right because it really is very important that we address the issue of human rights. Last time, when His Excellency Mr. Pranab Mukherjee was in Islamabad I had suggested, in fact he had agreed, that we would nominate retired judges of supreme judiciary so that they have the capacity and the training to rise above all considerations and only think in humanitarian terms. I have handed over the names of four judges from Pakistan to my distinguished colleague today, who also has some

names in his mind. In fact he was telling me that it is only a matter of a few days, he has been working on it the way I was working on this.

Once this is done by both the sides, I think, that will be one major step by Pakistan and India to think at a higher level. Regardless of whether the prisoner is a Pakistani or an Indian, in the first instance he is a human being. There are certain norms to which all human beings are entitled and I think the bringing in of the judges of the higher judiciary in both Pakistan and India will definitely provide relief to prisoners, whether they are undertrials, because the judges will be allowed to visit prisons in each other's country or to help facilitate the early release of those who have completed their sentences.

We discussed many other matters when we were alone. The purpose is to further the peace process. Thank you very much for providing me with this opportunity. I look forward to the interaction with you¹. Thank you.

Indian Media (Ms. Nidhi Razdan, NDTV): Mr. Kasuri, yesterday the Pakistan National Assembly passed a resolution asking for a joint

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1. The Pakistan Foreign Office issued the following press release on the statement of Mr. Kasuri:
"The Foreign Minister thanked the Minister for External Affairs for the warm hospitality given to his delegation during their visit to India . He also reciprocated the External Affairs Minister's comments on the Samjhauta Express blast calling it a heinous crime in which both Pakistanis and Indians were victims. The Foreign Minister stated that the Samjhauta Express terrorist attack would be on the agenda of the Joint Anti-Terror Meeting scheduled to be held in Islamabad on 6 March. The Foreign Minister appreciated the assistance provided by the Indian Government in facilitating the relatives of the victims of the terrorist attacks to visit India in order to identify the bodies as well as to be with the injured. He also placed on record the appreciation of the Government of Pakistan for the services provided by the doctors in the Indian hospitals where Pakistani victims were being treated for extensive burns and injuries. Referring to the Fifth Joint Commission meeting, the Foreign Minister stated that it was evident of the increasing cooperation between Pakistan and India. He said the co-chairs of the eight sub-Groups of the Joint Commission were able to identify areas of cooperation in the fields of agriculture, environment, education, health, information technology, information, science and technology, and tourism. The Foreign Minister pointed out that the subsequent meetings of the sub-Groups should take place well before the next Joint Commission meeting as back-to-back meetings did not achieve the desired objectives. Referring to the one-to-one meeting that the two Foreign Ministers had, the Foreign Minister said that among other issues, he also discussed the release of prisoners who have completed their sentences. The Foreign Minister pointed out that this was a humanitarian issue and as had been agreed during the visit of External Affairs Minister Pranab Mukherjee to Islamabad, a committee of retired Judges would be set up. The Foreign Minister said that he had handed over names of four Judges to the External Affairs Minister and hoped that India would also reciprocate soon."
The Spokesperson of the Pakistani Foreign Office in her briefing in Islamabad on February

investigation into this blast on the train. Did you formally request India for a joint investigation today? Mr. Mukherjee, did India share whatever leads our investigators already have with the Pakistani delegation today?

Minister of Foreign Affairs of Pakistan: As I have already said in my opening remarks, the Prime Minister of India spoke to the Prime Minister of Pakistan and assured him that the results of the investigation will be shared. The Joint Mechanism is meeting in Islamabad on 6th March and I have no doubt that they will take cognizance of this. I think I would rest my case and let my colleague answer the rest of the question.

26 when asked whether India was willing to share with Pakistan any information on the Samjhota train tragedy, the Spokesperson said: "We assume that India is conducting investigations. We have been assured by the Indian Prime Minister first in his telephone call to our Prime Minister and subsequently when our Foreign Minister met him in New Delhi that he was determined to go to the bottom of this terrorist attack and that India would share the results of the investigations with Pakistan.

Addressing presspersons on February 21 Mr. Mukherjee confirmed that "various proposals" on resolving the Siachen dispute were received from Pakistan and these were being considered by New Delhi. "We are ready to discuss each and every proposal. Various suggestions will be considered." In his talks with Mr. Kasuri, Mr. Mukherjee said he reviewed the progress in bilateral relations since the two last met in Islamabad on January 13. "We are happy to note that the joint survey of Sir Creek is progressing smoothly and that the Thar Express resumed service on February 17." Mr. Mukherjee revealed that he had handed over to his Pakistani counterpart a list of relatives of Indian prisoners of war who wished to travel to Pakistan in April. "You would recall that during my visit to Islamabad last month Pakistan agreed to receive them," said EAM. On his part, Mr. Kasuri said he had provided a list of four retired judges of the Pakistani Supreme Court, which would be part of a bilateral committee to visit jails and prisoners on either side of the border. According to him, Mr. Mukherjee too was looking into the matter and would present India's list of retired Supreme Court judges soon. Mr. Kasuri said members of the higher judiciary would definitely help in providing relief to India-Pakistan prisoners, be they undertrials or convicts. "This will help facilitate the early release of those who have completed their sentences," he said, stressing that this was an issue of human rights, which required rising above partisan considerations. Mr. Kasuri said all aspects of the composite dialogue process came up for discussion with Mr. Mukherjee, which included Kashmir, Siachen and Sir Creek. To sustain the peace process, maximum protection would have to be provided to travellers between Pakistan and India. Mr. Kasuri said he had proposed to Mr. Mukherjee that railway officials of the two countries should meet to interact with each other since a majority of those who visited India and Pakistan used the train service. This, he felt, was necessary to learn from Sunday's train tragedy and prevent such incidents in either country. On introducing a new tourist visa category, Mr. Mukherjee said this issue was under discussion between the two countries. According to him, a draft agreement had been received from Pakistan and was being examined by India. "We want to liberalise the visa [regime] and encourage tourism."

Expressing satisfaction with the joint commission meeting, Mr. Mukherjee said eight technical and joint working groups on agriculture, health, science and technology, information, environment, tourism, education and information technology had met.

External Affairs Minister: In fact, as per the law of the land the investigation is to be carried on by India. We will carry on the investigations and, as I have mentioned in my introductory remarks, the perpetrators of this heinous crime will be brought to book. But we have established the Joint Mechanism to deal with terrorism, which is meeting on 6th of March. One of the basic objectives of establishing this institutional mechanism is to share information and to act on that information. Therefore, it is appropriate that by that time whatever information will be available in respect of this case will be shared with the Pakistani authorities as we have shared with them in respect of certain other cases too.

Pakistani Media (Mr. Liaquat Ali, APP): My question is addressed to the Indian Foreign Minister. As Indian Prime Minister has on many occasions expressed a desire to make Siachen region as a mountain of peace, Pakistan has given so many proposals to Indian Government, the response from Indian Government is still awaited. What are your comments on this?

External Affairs Minister: Various proposals have been received and as Prime Minister Dr. Manmohan Singh responded, all these proposals are being considered and we are ready to discuss each and every proposal. The resumption of dialogue under the Composite Dialogue format is going to start the fourth round of discussion. The process has begun with the Foreign Secretaries level talks last November. Therefore, the various suggestions which are coming will be considered.

Minister of Foreign Affairs of Pakistan: Excuse me, there is one decision we had taken last time. I would just like to say that on this issue we have both agreed that DGMOs would meet. This decision was announced in Islamabad. We have suggested certain dates and I spoke to His Excellency about that. As soon as the dates are agreed, we will be very happy for that meeting to take place.

India Media (Mr. Amit Baruah, *The Hindu*): My question is to both the Ministers.

One of the issues that is being discussed is to have a tourism visa. But given the scale of what has happened on Sunday, what are the steps that are going to be taken by both Governments to protect the lives of innocent passengers who are using cross-border means of transport?

My question to Mr. Kasuri is what is the occasion for the DGMOs to meet on Siachen given that the Composite Dialogue process is on? What will

the DGMOs be discussing when they talk on Siachen?

External Affairs Minister: So far as the question of liberalization of visa including the tourist visa is concerned, we had some discussions during my visit to Islamabad and discussions with the Minister. We have received the draft from Pakistan and we are examining it. We want to liberalize the visa and encourage tourism. The Joint Working Group also made certain recommendations.

In respect of discussions between the DGMOs, as you are aware, we had several rounds of discussions – if I remember correctly, nine rounds of discussions - on Siachen. The discussions have taken place both at the civil and military levels. One round of discussion took place at the military level. It was suggested that our officials will be meeting, and officials include both civil and military, and it was suggested that a meeting will take place between the DGMO of India and at the appropriate level of Pakistan Armed Forces. Dates will be sorted out later.

Minister of Foreign Affairs of Pakistan: Let me take the second part first and then I will come to the one on tourists and what we need to do about protecting tourists from each other's countries.

I did, as I said, utilize the opportunity of discussing all aspects of the Composite Dialogue because it would be a pity if we wasted an opportunity. So, we discussed Kashmir, Siachen, and Sir Creek. I do not think I have to add to what His Excellency has said about DGMOs. I think the question is answered. We had agreed to a date. I spoke to His Excellency and we are waiting for India to respond.

You asked me about steps being taken to protect tourists. I agree with you entirely - the spirit of the question is very positive – that if we wish to promote tourism, we will have to take steps to protect tourists from each other's countries. I did suggest to my worthy colleague today that since the Railways is being used as a mass means of communication and it is by far the largest means of communication, maybe we need the railway authorities also to interact with each other - Pakistani Railways and Indian Railways - to learn from this experience and prevent a tragedy of this nature occurring in either country. So, I think a meeting of the Railway officials would be useful. But I am sure that when the anti-terror mechanism meets they will also have an opportunity to look at that. In order to sustain this process, we must ensure that the safety of visitors from each other's countries is to be maximum possible safeguarded.

Pakistani Media (Mr. Shamim Farooq, PTV): My question is to Mr. Pranab Mukherjee. Haryana Police Chief says that Lashkar-e-Tayyiba is involved in the Samjhauta Express blast. Similar accusation was made when Bombay blasts occurred but nothing came out later on. Your comments.

External Affairs Minister: You know that the investigation is in process and it would not be possible to conjecture anything unless the process is complete. That is why I said that when the anti-terror mechanism meets whatever information will be available till then will be shared with Pakistani authorities.



272. Agreement between the Islamic Republic of Pakistan and the Republic of India on reducing the risk from accidents relating to nuclear weapons.

New Delhi, February 21, 2007.

The Government of Islamic Republic of Pakistan and the Government of Republic of India hereinafter referred to as the Parties:

Recalling the Memorandum of Understanding signed at Lahore on 21 February 1999 between the two countries;

Recognizing that both Parties have national measures including Command and Control structures to guard against accidents related to nuclear weapons;

Recognizing that the nuclear dimension of the security environment of the two countries adds to their responsibility for avoidance of conflict between the two countries;

Committed to the objective of global and non-discriminatory nuclear disarmament;

Conscious of the need for adopting measures aimed at promoting a stable environment of peace and security between the two countries;

Have agreed as follows:-

Article-1

Each Party shall maintain and improve, as it deems necessary, existing

national measures including organizational and technical arrangements, to guard against accidents related to nuclear weapons under its control.

Article-2

The Parties shall notify each other immediately in the event of any accident relating to nuclear weapons, under their respective jurisdiction or control, which could create the risk of a radioactive fallout, with adverse consequences for both sides, or create the risk of an outbreak of a nuclear war between the two countries. In the event of such an accident the Party within whose jurisdiction or control the accident has taken place will immediately take necessary measures to minimize the radiological consequences of such an accident.

The obligation of a Party to notify shall be in respect of only such accidents which may result in an international transboundary release that could be of radiological safety significance or have security implication for the other Party.

Article-3

In the event of occurrence of an accident of the type referred to in Article-2 of this Agreement:

- (i) Each Party shall act in such a manner as to reduce the possibilities of its actions being misinterpreted by the other Party;
- (ii) In case of likely impact of the accident on the other party, the first Party shall inform the other Party forthwith with relevant information.

Article-4

The Parties shall make use of the hotline links between the two Foreign Secretaries and DGMOs or any other appropriate communication link as mutually agreed upon between their Governments for transmission of, or request for, urgent information in situations relating to the implementation of this Agreement. The Parties may also make use of any other communication channels, including diplomatic channels depending upon the urgency of the situation.

Article-5

Information obtained by a Party pursuant to this Agreement shall not

be disclosed to a third Party without the prior consent of the other Party except where it concerns environment, public health or safety.

Article-6

This Agreement shall not affect the rights and obligations of the Parties under existing international agreements to which they are a Party.

Article-7

The Parties may hold consultations, as mutually agreed upon, to review the implementation of the provisions of this Agreement as well as to consider possible amendments aimed at furthering the objectives of this Agreement. Amendments shall enter into force in accordance with procedures that shall be agreed upon.

Article-8

This Agreement shall remain in force for a period of five years. Upon agreement by the Parties, the Agreement may be extended for successive periods of five years at a time. A Party may withdraw from this Agreement by giving six months written notice to the other indicating its intention to terminate the Agreement.

In witness whereof the undersigned being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on February 21, 2007 in two originals, in English language, each text being equally authentic.

K.C. Singh
Additional Secretary
For Government of the
Republic of India

Tariq Osman Hyder
Additional Foreign Secretary
For the Government of the
Islamic Republic of Pakistan.

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273. Statement by Official Spokesperson on media reports regarding delayed return of the Pakistan Air Force C-130 aircraft to pick up the Pakistani injured in the Samjhauta Express train bomb blast.

New Delhi, February 23, 2007.

We have seen reports in the media speculating on the reasons for the delay on the return of the Pakistan Air Force C-130 aircraft, which had come to New Delhi on 22 February 2007 to take back the injured Pakistanis. Clearance for this aircraft to come to India and evacuate the 10 injured in Safdarjung Hospital had been conveyed in the forenoon the same day.

2. The aircraft which had 14 crew members and a 15-member medical team reached New Delhi at 1505 hrs. 7 of the injured Pakistanis were taken from Safdarjung Hospital in ambulances to Palam Airport. They reached there at 1730 hrs and their boarding was completed by 1800 hrs. However, the aircraft could not take off because it developed a technical glitch. One of its engines developed a problem and had to be repaired by the ground staff of the airport. The aircraft finally took off at 2115 hrs.
3. We have seen the reports in the media that the delay took place because the aircraft was waiting for the remaining three injured Pakistanis. These were Mr. Rana Shoukat Ali, Mrs. Rukhsana, w/o Rana Shoukat Ali and their one year old daughter, Miss Aqsa. Rana Shoukat Ali, who had lost five other children in the blasts, had expressed a desire to go to Panipat to identify the bodies of his children. Pakistan High Commission was informed that these three persons would not be going to Pakistan in the special aircraft. Rana Shoukat Ali and his family were taken to Panipat where they were able to identify all the five bodies of their children. Rana Shoukat Ali and his family will return to Pakistan via Wagah.
4. Some media reports suggest that the aircraft was delayed because India wanted an "undertaking" from Pakistani authorities for access to the evacuated Pakistani passengers for interrogation. This request had been made to Pakistani authorities while conveying the clearance for the aircraft. We drew the attention of the Pakistani authorities to the fact that the terrorist attack on the train is being investigated by

Indian police who may wish to take their statements at a later date. However, the release of the injured passengers was not linked to this nor their evacuation delayed because of it. It is our hope that the Government of Pakistan will facilitate this in the interest of the investigations. It may be mentioned that 528 passengers of the train had left for Pakistan on the day of the blast itself.



274. Media Briefing by Official Spokesperson on the first meeting of the India-Pakistan Anti- Terrorism Mechanism.

Islamabad, March 7, 2007.

Official Spokesperson: Good afternoon everyone. You may have seen the Joint Statement that has been issued in Islamabad. I will read it out to you.

"In pursuance of the decision taken during meeting between the President of Pakistan and the Prime Minister of India in Havana, Cuba on 16 September, 2006, the first meeting of the Anti- Terrorism Mechanism was held in Islamabad on 6th March, 2007. The Pakistan delegation was led by Mr. Tariq Osman Hyder, Additional Secretary (UN&EC), Ministry of Foreign Affairs. The Indian delegation was headed by Mr. K.C. Singh, Additional Secretary (IO), Ministry of External Affairs of India.

The two sides discussed the parameters of the Anti-Terrorism Mechanism and agreed that specific information will be exchanged through the Mechanism for (i) Helping investigations on either side related to terrorist acts and (ii) Prevention of violence and terrorist acts in the two countries.

It was also agreed that while the Anti-Terrorism Mechanism would meet on a quarterly basis, any information which is required to be conveyed on priority basis would be immediately conveyed through the respective Heads of the Mechanism."

So this is essentially it. The meeting spilled over from the sixth (of March) and carried on for part of the seventh. This is the result.

Question: How do you plan to prevent violence?

Official Spokesperson: The essential idea behind is to exchange information which leads to a mechanism which can jointly end terrorism. So that is the purpose of talking of prevention of violence and terrorist acts in the two countries by tightening the net.

Question: There have been a lot of reports in Pakistani papers that Pakistan has presented evidence on the alleged Indian role in Balochistan and also the operation of Indian Consulates in Afghanistan. Would you like to comment?

Official Spokesperson: Well, I would not like to comment on what has been presented because that we have not seen. We will certainly see what they have presented. I am glad you used the word 'alleged' because India has nothing to do with the developments in Balochistan. As far as the Indian Consulates in Afghanistan are concerned, they have nothing to do with the developments in Balochistan. They are working in very close cooperation with the government and people of Afghanistan to help in the reconstruction of Afghanistan and complete the other bilateral work which is wholly and completely supported and appreciated by the people of Afghanistan.

Question: I understand that five or six names of people who have red corner notices against them were handed over to the Pakistani side. Could you elaborate?

Official Spokesperson: I cannot go into details of what has been exchanged. Yes, information has been shared before these talks, evidence has been shared, for instance, during the last Foreign Secretaries meeting, evidence has been shared yesterday on some issues. I cannot go into details. That would not be in keeping with the purpose of this exercise. Ultimately, we will see what happens.

Question: Are you at liberty to talk of any of the evidence that has been presented?

Official Spokesperson: I am not at liberty to talk and I do not think it helps much to talk. Ultimately, this is really about doing. So we will see what is done.

Question: There are PTI reports that the Indian side presented some photographs of the Pakistani suspects involved in some of the blasts. Would you like to comment?

Official Spokesperson: As I said I am not going to get into details based on media reports. I am telling you that evidence was shared.

Question: How cooperative has the Pakistani side been?

Official Spokesperson: This is not a question of characterizing anybody's cooperation or lack of cooperation on the basis of one meeting. This is a meeting between delegations of two countries, both the delegations have done what they had to do, there is an agreed joint statement, now let us see where it goes. As far as we are concerned we will naturally judge the cooperation and efficacy by the results we achieve.

Question: In the recent Attari Express blasts, they (Pakistan) wanted a joint investigation. Any comments?

Official Spokesperson: Well, that question was sufficiently answered by the External Affairs Minister during the joint press interaction with Mr. Kasuri.

Question: Is there any terrorist outfit which is not within the mandate of the joint anti-terrorism mechanism?

Official Spokesperson: I do not see any such exceptions. I think the mandate of the group is very clear as laid out in the joint press statement in Havana.

Question: Is there any territory in India or Pakistan which is outside the mandate...?

Official Spokesperson: You know the mandate is in plain English. It has no exceptions.

Thank you.



275. Question in the Lok Sabha: "Visit of External Affairs Minister to Pakistan".

New Delhi, March 7, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether he visited Pakistan recently;
- (b) if so, the details of the talks held on issues like Siachen, Terrorism, Prisoners of War, Economic and Trade Co-operation, Nuclear Risk Reduction and Group tourism and the outcome thereof;
- (c) whether Pakistan has agreed to release prisoners of war languishing in their jails;
- (d) if so, whether Pakistan has agreed to permit the relatives of the Indian prisoners of war in Pakistan jails to enable their identification; and
- (e) the extent to which the said visit is likely to further improve the cordial relations between the two countries?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) - (e) A statement is placed on the Table of the House.

STATEMENT

- (a) and (b) Yes. The External Affairs Minister visited Pakistan on January 13-14, 2007 to convey the invitation of Prime Minister Dr. Manmohan Singh to Pakistan Prime Minister Shaukat Aziz to attend the 14th SAARC Summit to be held in New Delhi in April 2007. During his visit, EAM held bilateral talks with Pakistan President Pervez Musharraf, Pakistan Prime Minister Shaukat Aziz and Pakistan Foreign Minister Khurshid Mahmood Kasuri. Both sides agreed to establish a committee on prisoners comprising retired judges of the superior judiciary to visit jails in the two countries and propose steps to ensure humane treatment and expedite release of prisoners who have completed their prison terms; to expedite the liberalisation of the visa regime and agreed to complete the work in February 2007; that several agreements which are close to finalisation including the Agreement on a) Reducing the Risk from Accidents relating to Nuclear Weapons b) Speedy return of inadvertent Line Crossers and c) Prevention of incidents at Sea will be concluded during the February

2007 visit of Foreign Minister Kasuri to India. On Siachen, both sides discussed the issue and decided that the officials would meet at an early date to address the issue. Both sides also agreed to facilitate movement of diplomats to Noida and Gurgaon in India and Taxila and Hasan Abdal in Pakistan. Procedures for this will be worked out. They also agreed that the first meeting of joint anti-terrorism mechanism would take place before the end of March 2007. Regarding Sir Creek, the officials concerned will be directed to expedite their work. The joint survey of Sir Creek has begun on 15th January 2007. Both sides also decided to launch the Fourth Round of Composite Dialogue with the Foreign Secretary talks on 13-14 March 2007.

- (c) - (e) According to available information there are 74 Indian PoWs in Pakistani Jails. However, Pakistan does not accept the presence of any Indian PoW in its jails. During EAM's visit to Pakistan in January 2007, the matter was taken up with the Pakistani authorities and they have accepted to allow a delegation of families of PoWs to visit various Pakistani jails. We have proposed April 2007 for the above visit.

Replying to a supplementary EAM said:

Shri Pranab Mukherjee: In the Statement, I have already stated the number of areas which we covered during my discussion with the leaders of Pakistan. Primarily, the objective of the visit was to extend the invitation to Pakistani Prime Minister on behalf of our Prime Minister to attend the 14th SAARC Summit scheduled to be held in New Delhi. Naturally, I took the opportunity of having discussions on bilateral issues with President Musharraf, the Prime Minister Mr. Shaukat Aziz and my counterpart the Foreign Minister Mr. Kasuri. All these issues have been taken up.

So far as the Prisoners of Wars are concerned, I would submit that the consistent stand that Pakistan has taken is that there is no Prisoner of War in any Pakistani jail. This is not for the first time but several times, several Foreign Ministers have taken up this position. Now, it has been decided. I suggested to President Musharraf that the family members want to satisfy themselves. So, if an opportunity is being provided to them, a delegation of the family members would come. If the Pakistan Administration facilitates the visit to different jails in Pakistan, they themselves can go and it has been agreed. Some time in April, the delegations will be sent.

In respect of Siachen, 10 rounds of discussions have taken place including three which are now being conducted under the Composite Dialogue Process. It was decided that the official level discussions will begin once again. In respect of certain other areas like Sir Creek, as the joint survey has started from 15th January, it was decided to expedite it. A number of Confidence Building Measures were discussed by the leaders of Pakistan with me and those Confidence Building Measures are being pursued.

In response to another supplementary the Speaker observed that it had already replied but EAM observed: "Sir, I have already mentioned that Pakistan does not agree that there is any Prisoner of War in any Pakistan jail. Then, we insisted that we are receiving complaints from the family members of missing persons and so it would be desirable if you allow those family members to go and visit Pakistan.

Shri J. M. Aaron Rashid: Mr. Speaker, Sir, many persons who left from India to Pakistan have gone missing there. Does the Government have any list of such missing persons and will the Government allow their relatives to go to Pakistan and search for them whether they are in any jail there or in hospital or whether they have died? Does the Government have any statistics about such missing persons?

Shri Pranab Mukherjee: Sir, whenever Indian citizens go to any part of the world, naturally they report to our Missions there and our Missions keep track on them. But if some persons are missing and we come to know of it, definitely we try to ascertain about them and almost everyday I receive a number of letters from various Members of Parliament that such and such persons went to such and such country and there is no trace of them. In that case, through our Missions we try to locate them.

Answering another supplementary the External Affairs Minister observed: "Sir, there is no confusion anywhere. So far as the establishment of the Joint Anti-Terror Mechanism is concerned, it was decided during the meeting between President Musharraf and our Prime Minister at Havana in the margin of Non-Aligned Summit that efforts should be made to confront terrorism and to ensure that terrorist activities are completely neutralized. This exercise is going on. Successive Governments have undertaken this exercise and it is nothing new. The commitment of President Musharraf in this regard was reflected in the Joint Statement issued by the then Prime Minister Shri Atal Bihari Vajpayee and President Musharraf on 6th January, 2004. At that time, it was agreed upon by President Musharraf that he would not allow Pakistan territory to be used by terrorists.

Therefore, we are insisting and we are talking that you fulfill your commitment. These talks are going on. Therefore, the entire issue is being discussed.

So far as Siachien is concerned, as I have told in reply to the earlier question, as many as 10 rounds of discussions have taken place between India and Pakistan on Siachien and some of these discussions took place during the earlier regime itself. This is an issue which we are trying to resolve through dialogue and discussion, but no decision has been taken so far. Therefore, there is no scope of confusion."

Md. Salim: Sir, the development in the relations between India and Pakistan is taking a welcome route. Although, there are some minor irritants, I am not going to make a speech, I intend to ask the hon. Minister of External Affairs that for the SAARC Summit XI, he was supposed to go and invite the President of Pakistan, what happened in between that instead of inviting the President of Pakistan, he went to invite the Prime Minister of Pakistan. We are constantly engaged in a composite dialogue process and there are some good developments which are welcome. But in between these are the irritants. The hon. House has to be apprised of the facts as to what happened behind the scene because there are some conflicting and contradictory reports appearing in the newspapers on this count.

Shri Pranab Mukherjee: There are no conflicting or contradictory reports. So far as SAARC Summit is concerned, it is the practice that either the Head of the Government or the Head of the State attends. For instance, in Sri Lanka, there is a Prime Minister, but normally the SAARC Summit is attended by the Sri Lankan President.

So far as Pakistan is concerned, even the Summit which took place at Islamabad, there also Pakistan was represented not by the President but by the Prime Minister and it is President Musharraf who indicated that we should extend an invitation to the Prime Minister. Therefore, I carried the invitation to the Prime Minister to invite him to attend the SAARC Summit.

Mr. Speaker: I am sure he will be a very honoured Guest here.

Shri P.C. Thomas: Sir, it has been recently reported that a young pilot from India, Shri Muralitharan, took an IAF plane in 1971 War to Pakistan and his aircraft was shot down near Peshawar. He got down through a parachute, but he was caught by the Pakistan Army and jailed. For the last 36 years, he is in the jail. His family members got letters from the Ministry

regarding this that the enquiry is going on. I have brought it to the notice of the Ministry through letters.

Mr. Speaker: You cannot raise it just under any Question.

Shri P.C. Thomas : Sir, this is a very serious matter.

Mr. Speaker: Certainly a serious matter, but I do not know whether the hon. Minister has the information.

Shri P. C. Thomas: Sir, he has been in jail for the last 36 years. Sir, I have just now talked to the hon. Prime Minister also about this.

Mr. Speaker: You need not repeat it.

Shri P. C. Thomas: Sir, I would humbly request and seek information from the hon. Minister of External Affairs whether an immediate enquiry will be made in this matter and whether every effort will be made to bring him back to India.

Mr. Speaker: It is a serious matter, but I do not know whether the hon. Minister can reply to that.

Shri Pranab Mukherjee: Sir, so far as these issues are concerned, I have already replied that we have given a list of 74 persons as Prisoners of Wars, including the list of 54 persons who are missing since the War of 1971. The names are there and the incidents which the hon. Member has referred to have also been pointed out. Even during my visit I carried a book and a letter from the Chief of the Air Staff. I am fully aware of the agony of the relations and the family members because till today they are not aware of the exact facts. But it has been the persistent stand of Pakistan authorities to deny that anybody as Prisoner of War exists in any jail of Pakistan. That is why, the mechanism which I referred to in the earlier question is being thought of and let us try once again.



276. Question in the Rajya Sabha: “Meeting of Indo-Pak Foreign Ministers”.**New Delhi, March 8, 2007.****Will the Minister of External Affairs be pleased to state:**

- (a) whether India and Pakistan’s Foreign Ministers met in Islamabad on the 13th January, 2007 and also at New Delhi and discussed a number of issues and signed a number of agreements;
- (b) if so, the issues that were discussed;
- (c) the number of agreements that have been signed;
- (d) whether most of the outstanding issues of trade and visa were reached and finalized;
- (e) if so, to what extent the meeting has been successful; and
- (f) whether ground work for Prime Minister’s visit to Pakistan has also been finalized ?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) to (f) A statement is placed on the Table of the House.

STATEMENT

- (a-b) Yes. The External Affairs Minister visited Pakistan on January 13-14, 2007 to convey the invitation of Prime Minister Dr. Manmohan Singh to Pakistan Prime Minister Shaukat Aziz to attend the 14th SAARC Summit to be held in New Delhi in April 2007. During his visit, EAM held bilateral talks with President Pervez Musharraf, Prime Minister Shaukat Aziz and Foreign Minister Khurshid Mahmood Kasuri. Both sides agreed to establish a committee on prisoners comprising retired judges of the superior judiciary to visit jails in the two countries and propose steps to ensure humane treatment and expedite release of prisoners who have completed their prison terms; to expedite the liberalisation of the visa regime and agreed to complete the work in February 2007; to conclude agreements which are close to finalisation including the Agreement on a) Reducing the Risk from Accidents relating to Nuclear Weapons; b) Speedy return of inadvertent Line Crossers; and c) Prevention of incidents at Sea. On Siachen, both

sides discussed the issue and decided that the officials would meet at an early date to address the issue. Both sides also agreed to facilitate movement of diplomats to Noida and Gurgaon in India and Taxila and Hasan Abdal in Pakistan. They also agreed that the first meeting of joint anti-terrorism mechanism would take place before the end of March 2007. Regarding Sir Creek, the officials concerned would be directed to expedite their work and the joint survey of Sir Creek would begin on 15th January 2007. Both sides also decided to launch the Fourth Round of Composite Dialogue with the Foreign Secretary talks on 13-14 March 2007. Both Ministers again met in New Delhi on February 21, 2007 as co-chairmen of India-Pak Joint Commission and reviewed the progress made by the eight Technical Level Working Committees on eight areas namely Agriculture, Health, Science & Technology, Information, Education, IT & Telecommunications, Environment and Tourism.

- (c-e) The Agreement on Reducing the Risk from Accidents relating to Nuclear Weapons was signed on February 21, 2007. Government have conveyed names of Indian judges for the Committee on Prisoners. Government have proposed the visit of a delegation of family members of missing defence personnel in April 2007. The Visa agreement, Agreement on Speedy return of inadvertent Line Crossers and Agreement on Prevention of incidents at Sea are being examined by Government. The Joint Survey of Sir Creek started on January 15, 2007 and its report is expected by the end of March 2007.
- (f) The Prime Minister has accepted President Musharraf's invitation to visit Pakistan.

Shrimati Shobhana Bhartia: Sir, terrorism, and particularly Pakistan's role in fostering terrorist outfits, has been an area of tremendous concern. Recently, the U.S. Vice-President, Mr. Dick Cheney, visited Islamabad, and issued a stern warning to President Musharraf on dismantling the terrorist outfits and also Musharraf's support for the Taliban. In view of our extensive interest in Afghanistan, I want to ask the hon. Minister as to how this would impact us and whether the U.S. shared any of these intelligence reports with us.

Shri Pranab Mukherjee: Sir, so far as terrorism is concerned, as the hon. Member and the whole House is aware, this is a very important issue and this, in fact, stands in the way of normalisation of relationship between our

two countries and exploitation of the full potentialities which exist in this sub-continent. Therefore, we are trying to resolve this issue, and this is a continuing process. Sir, last September, when our Prime Minister met President Musharraf on the eve of the Non-Aligned Summit, it was decided to set up an Anti-terror Mechanism. Thereafter, the composite dialogue, which was suspended, as a sequence to the Mumbai blasts, resumed. So far as the information of the hon. Member is concerned, it is true that certain other countries are exercising their influences over Pakistan to ensure that terrorist outfits, which are located there, should be dismantled, and this is also our demand. As early as 6th January, 2004, in the Joint Statement issued by the then Prime Minister, Shri Atal Bihari Vajpayee, and President Musharraf, President Musharraf made a firm commitment that the land of Pakistan will not be allowed to be used by the terrorists. So far as the Talibans are concerned, there is no two opinion on it that the Talibans should be contained, and they produce nothing but hatred and terror. Therefore, efforts should be made to contain them.

Shrimati Shobhana Bhartia: Before putting my second supplementary, I asked the hon. Minister as to whether the U.S. has shared any information with us.

Shri Pranab Mukherjee: Sir, certain information cannot be shared with the hon. Members. She is fully aware of it.

Shrimati Shobhana Bhartia: Sir, my second supplementary is this. On liberalisation of visa regime, have any proposals been made about 'group tourist visas' that are being considered? Also, I would like to know whether both Governments are looking at multi-entry visas for business travellers to encourage trade and commerce.

Shri Pranab Mukherjee: In fact, this issue also came up during my visit, and while having discussions, I requested my counterpart that Pakistan's response to our visa applications should be expedited. Thereafter, we got a response from Pakistan. But, I am afraid, instead of liberalising it, it is going to be more constricted. Therefore, we have suggested that particularly for businessmen, professionals, students, journalists and certain other categories, this should be liberalised. And, we are carrying on the negotiations with them.

Shri Yashwant Sinha: Sir, my question relates to trade. As we are aware, the South Asia Free Trade Agreement came into force on 1st January this year. And, despite the coming into force of SAFTA, Pakistan has not thought

it fit to liberalise its trade with India, especially, Indian exports to Pakistan. Unlike the understanding reached in the past, they still go by the Positive List rather than by the Negative List. They have not extended the Most Favoured Nation treatment to India. And the statements which emanate from Pakistan, from responsible quarters like the Pakistani Commerce Minister, suggest that Pakistan is not prepared to adhere to the terms of SAFTA as far as India is concerned and that Pakistan would continue to insist that India should remove its non-tariff restrictions first.

Now, my question to the hon. External Affairs Minister is: what are the non-tariff restrictions that India has, specifically for Pakistan exports to India and did he take up this issue during his visit to Islamabad and, if he did, then, what was the Pakistani response to the implementation of the provisions of SAFTA?

Shri Pranab Mukherjee: Sir, so far as Pakistani response is concerned, it is almost known to everybody. They also do not hesitate to articulate it. Take, for example, the non-extension of the Most Favoured Nation treatment, which every country under the WTO, or, even under the old GATT, is obliged to extend to those who are members of the old GATT or the WTO. But it has not been extended; it is a fact.

So far as operationalisation of SAFTA is concerned, there have been several rounds of discussion. It was discussed in last August at SAARC Council of Ministers' meeting. At the fringe of the General Assembly Session, I myself took it up with the SAARC Ministers. Thereafter, on 26th February, at the SAARC Ministerial Meeting, our Commerce Minister participated and tried to resolve this issue but, unfortunately, it has not been possible to resolve it.

Currently, Pakistan is engaged in trade with India on the basis of a Positive List. But there has been one positive development too; they have expanded the number of categories within this List, from 717 to additional 300. So, a large number of items have come within the Positive List itself. But, so far as tariff reduction is concerned, there has not been any movement. And the Joint Statement which has been issued after the Ministerial Meeting, is known; the Positive List still remains; now, it is for us to decide whether we take certain action unilaterally or not.

So far as non-tariff restrictions are concerned, I would like to assure the hon. Member — and he is fully aware of it because he dealt with the Finance Ministry for a pretty long time — that there is no Pakistan-specific non-tariff barrier, so far as India is concerned.

Shri Amar Singh: *Sir, The External Affairs Minister just mentioned about trade and commerce. The Experts Committee of the World Bank had in its report approved the construction of Baglihar Hydro Electric project on the river Chenab in Jammu and Kashmir. The meeting of Foreign Ministers that took place in Islamabad in January 2007, was there any discussion about this and if yes; what was the outcome and what is the stage of its implementation?*

Shri Pranab Mukherjee: Sir, we are encouraging trade between the two parts of Jammu and Kashmir and we have suggested that, specially, the local products should be allowed to be traded between the two parts without any restriction.

Shri Amar Singh: I am asking about the Baglihar power project, Sir.

Shri Pranab Mukherjee: I did not discuss that with them.

Prof. P. J. Kurien: Sir, my question is about Indian prisoners languishing in Pakistani jails. In his reply, the hon. Minister has said that a committee of judges is being appointed to find out whether humane treatment is being meted out to prisoners there.....Recently, I read a newspaper report about an Indian pilot, Muralidharan. According to the Indian Army reports, he is dead. But that Indian pilot who fought the war in 1971 is alive in Pakistan jail. This report came in newspapers. I don't know whether it has come to the notice of the hon. Minister. If it has come to his notice, then I would like to know his reaction. Sir, this leads me to put a question. Is it that the Government is not having the list of Indians languishing in Pakistan jails? If you have the list, if you have the correct list, have you got the details of them? If you have the details, what steps you have taken and you are taking to see that these prisoners who are in Pakistan are released?

Shri Pranab Mukherjee: Sir, so far as the PoW is concerned, we have given to Pakistan authorities from time to time, over a number of years, about 74 persons' list. But Pakistan has flatly denied on each occasion that there is not a single prisoner of war in any of the jails of Pakistan. Even during my talk with President Musharraf, this time on 13-14 January, this issue was raised. The hon. Members have confused between two issues. These two are separate. So far as the PoW is concerned, Pakistan has denied this time and on earlier occasions that there is no PoW there. Therefore, we suggested that there is a persistent demand from the relations of these families that they would like to go and visit the Pakistan jails and satisfy themselves. President Musharraf has agreed to receive a small

delegation of Indian families. So, we have decided to send a group sometimes in April. Pakistan Government has agreed to provide facilities. They can go; they can themselves verify it.

So far as appointment of the Judges' Committee is concerned, sometimes it happens and it happens on both sides, India and Pakistan, that somebody when they inadvertently cross the border, they are detained. Sometimes, even after completing the jail sentence, the prisoners are not released in time. It is applicable to a large number of fishermen who are normally detained because of their crossing to the other side in the water. So, it was decided that both sides will agree to appoint a committee consisting of the retired superior judges. This decision was taken on 13-14 January when we held our talks. We have to identify the person. The Committee has just been appointed, and surely, it will take some time to work. They will visit the jails of both Pakistan and India; will make recommendations to the Government concerned to improve the jail conditions and will also examine whether there is unusual delay in releasing the prisoners who have completed their jail sentence.

Prof. P.J. Kurien: Have you got any information on that particular issue?

Shri Pranab Mukherjee: So far as Muralidharan is concerned, this has been debated, at least, half-a-dozen times.

Prof. P.J. Kurien: I want to know about Muralidharan's case.

Shri Pranab Mukherjee: I am talking of Mr. Muralidharan. Even yesterday, I replied to another Member's question in Lok Sabha. He was one of those 74 persons who are listed there, but Pakistan Government has flatly denied it.

Kumari Nirmala Deshpande: Sir, it is common knowledge that terrorism has its victims not only in India but in Pakistan also, and Pakistan's President, General Musharraf was also attacked thrice by the terrorists. So, what is being done to fight this menace of terrorism jointly? ...(Interruptions)...

Shri Pranab Mukherjee: Sir, as I mentioned, we have established a Joint Anti-Terror Mechanism headed by Additional Secretary of the Ministry of External Affairs in both countries. The first meeting has taken place yesterday and the day before. They have decided about the parameters of the functioning of this Joint Anti-Terror Mechanism.

It has also been decided that they would meet quarterly, exchange information, and on the basis of the information what action is being taken

by the countries concerned will also be reviewed. This is an initiative which we have taken just now and let us see how does it act and what the outcome of it is.

Shrimati Shushma Swaraj: *Thank you, Mr. Chairman, I want to know from the Hon'ble Minister whether during these talks Pakistan blamed India for militancy in Balochistan? Is this not an attempt to divert attention from Pakistan's own sponsored terrorist activities in Jammu and Kashmir? Was Pakistan satisfied with the Indian reply or it would continue to raise this issue at the international fora?*

Shri Pranab Mukherjee: Sir, this type of allegations are being brought by Pakistan from time to time. Even when we set up some consulates in Afghanistan, they say that there is no adequate business between India and Afghanistan, so why they are having consulates. We clearly pointed out to them and it is known to the international community that India is engaged heavily in the construction activities in Afghanistan by construction of roads, construction of Parliament building, construction of power projects and some of these consulates look after these construction activities and they are not engaged in meddling with what is happening on the other side of the border between India and Afghanistan. So far as involvement of Indian agencies in Baluchistan is concerned, yesterday itself it was denied and today also I am going to categorically deny this allegation that neither any Indian agency nor any Indian consulate is involved in any type of activities against Pakistan.

(Text in italics is unofficial translation from Hindi)



277. Press Release issued by the Ministry of External Affairs on India's nominations for the Committee on Prisoners to ensure a humane treatment of them.

New Delhi, March 8, 2007.

During EAM's visit to Islamabad on 13-14 January 2007, it was agreed to establish a committee on prisoners comprising retired judges of the superior judiciary to propose steps to ensure humane treatment and expedite release of prisoners who have completed their prison terms. In this connection, the following names of retired judges from India have been communicated to Pakistan as India's nominations for the committee on prisoners:

1. Shri Justice K. R. Vyas (former CJ, Bombay High Court)
2. Shri Justice Amarjit Choudhary (former judge from Punjab & Haryana High Court)
3. Shri Justice A. S. Gill (former judge from Punjab & Haryana High Court)
4. Shri Justice M. A. Khan (former judge from Delhi High Court)



278. Joint Press Release issued on the decisions taken at the conclusion of the Fourth Round of the Composite Dialogue between the Foreign Secretaries of India and Pakistan.

Islamabad, March 14, 2007.

Peace and Security

- U Expedite negotiations to conclude an Agreement on Prevention of Incidents at Sea.
- U To fully observe the ceasefire.
- U Conclude and sign an Agreement on Modalities for the Conduct of Quarterly Flag meetings at the Sectors to be agreed upon.
- U Conclude and sign a Framework Agreement on Speedy Return of Inadvertent Line Crossers.
- U Conclude an agreement on No Development of New Posts and Defence Works along the LOC.
- U Proposed drafts for new border control guidelines along the International Border.

Nuclear CBMs

- U Hold discussions on security doctrines.

Jammu and Kashmir

- U Ensure implementation of the already agreed Jammu and Kashmir related CBMs
- U Ensure operationalization of Truck service
- U Ensure operationalization/rationalization of the five crossing points

Siachen

- U Defence Secretaries of the two countries assisted by respective Directors General (Military Operations) to meet to hold talks.

People to People Contacts

- U Conclude during the Fourth round bilateral Visa Agreement, Agreement

on Consular Access, and revise the Protocol on Visits to Religious Places.

- U The Committee on Prisoners composed of four judges from each side to ensure humane treatment and expeditious release of prisoners on both sides.



279. Media Briefing by Foreign Secretary Shivshankar Menon at the conclusion of the Foreign Secretary level talks.

Islamabad, March 14, 2007.

Foreign Secretary Mr. Menon: Thank you very much. Foreign Secretary Riaz Mohammad Khan has narrated points of agreement. I will confine myself to a few general points. Yesterday, I had the privilege of calling on H.E. Shaukat Aziz, the Prime Minister of Pakistan and Foreign Minister Kasuri. In those meeting, I found that there was clear political will on both sides to make all round progress in the composite dialogue and to the process forward towards establishing normal, friendly and good neighbourly relations between our two countries. Both leaders emphasized their commitment to this process. With Foreign Secretary Riaz Mohammad Khan as he mentioned, we had two good rounds of talks; one yesterday and one today. When we reviewed the third round of talks and where it has brought us, we noted the significant improvement brought in our relations by the dialogue process especially in promoting people to people relations qualitatively better than they have been for a very very long time and that the composite dialogue has proven record of success. The dialogue process has seen implementation of a number of confidence building measures, narrowing of the divergences and the improvements in the understanding of each other positions on the issues which divide us.

We regard CBMs as an integral part of the process of resolving issues and differences and this is our intent to try and resolve all issues that divide us including the issue of Jammu and Kashmir. When we reviewed the third round of talks and we also decided to launch the fourth round, we discussed also the two subjects on the Foreign Secretary level that we cover; peace and security including CBMs and the issue of Jammu and Kashmir. We agreed that in the fourth round, we anticipate that considerable progress can be made in all these aspects. During the discussion, I reiterated the

emphasis for maintaining an atmosphere free from violence and terror to sustain popular support in India for the dialogue process. We both noted the importance of joint anti-terror mechanism which met last week in Islamabad and reiterated the importance of implementation of the commitments in this regard. On J & K, India and Pakistan are engaged in the most sustained and intensive dialogue that they have ever had. We seek the settlement of all outstanding issues including J & K. With Foreign Secretary Riaz Mohammad Khan, I also discussed the implementation of the existing CBMs and new cross LoC CBMs. We raised the Kargil Skardu route for a bus service and Pakistan side agreed to consider it. We now start looking at the logistics and modalities of operationalising this. We also discussed trade across the Loc.

As the Foreign Secretary mentioned, we have proposed dates for different meetings for the fourth round of composite dialogue between April and July 2007 and this include early meetings on Siachen and Sir Creek. There is one point I would like mention on the Samjhauta Express tragedy which many of our Pakistani friends have mentioned to me in the last two days. Today, we shared with the Pakistani side a list of passport numbers of which the holders remain unidentified. As you know, even today 19 of those who perished remain unidentified and we will be working jointly with the Pakistan side to look through the list of passports numbers and identify who are the holders of the passport numbers. We also would like to make it clear that we have kept the DNA sample of the 19 persons victims of the tragedy who remain unidentified and if there are any relatives or any body who is interested in Pakistan who feels he has information and likes to check, we would like them to contact our High Commission in Islamabad. We have already issued visas to the relatives who wish to visit India. That would help us. We have had fruitful and positive discussion over the last two days which I think has set a stage for a successful fourth round of the composite dialogue. I am grateful to Foreign Secretary for his hospitality and kindness as a host. Pakistan's high reputation of treating guests has been maintained.

Question: Secretary Menon, you have said that Pakistan and India discussed J & K. India has already discarded one of the four points suggested i.e. the joint management. Would you take us into confidence on counter proposal if at all India has suggested to Pakistan on this question. Secondly, any modus operandi were discussed about the anti-terror mechanism?

Foreign Secretary Mr. Menon: I am surprised. I think the mandate of the

mechanism which was laid down clearly by the leaders of both our countries in Havana was very clear. It said they decided to put in place India - Pakistan institutional mechanism to identify and implement counter terrorism initiatives and investigations. The meeting of the joint anti-terror mechanism last week also issued a joint statement which also said that they agreed that specific information will be exchanged through the mechanism for helping investigation on either side relating to terrorist acts and prevention of violence and terrorist acts in the two countries. So I am not quite sure why there is any doubt. This is joint mechanism and terrorism is an enemy for both us all. I hope that we can make this mechanism productive and enable to implement its mandate. There can be nothing more authoritative than our leaders have said. On the larger question that you have raised about discussion on J & K, I do not think this is a place to reiterate all the ideas that are on the table, I think the important things is that we are engaged in intensive dialogue and this is our intention to bring this dialogue to successful conclusion. To get into detail of this proposal of that or this idea or that, I do not think that contribute to that end¹.

Question: Question to both of you. Could you confirm if India has given

1. Before the start off the talks, the Pakistan Foreign Ministry had expected the fourth round of the composite dialogue to make progress on the resolution of the Jammu and Kashmir issue. The Spokesperson of the Pakistan Foreign Ministry had said on 12th March that it was waiting for India's response to President Pervez Musharraf's "ideas" on the resolution of the Kashmir issue. "On Jammu and Kashmir, it is important that we now move from confidence-building measures to dispute resolution," Pakistani spokesperson Tasnim Aslam said. She recalled the statement by Prime Minister Manmohan Singh welcoming Gen. Musharraf's proposals and saying that they should be discussed with an "open mind." The spokesperson too expected discussions on Pakistan's earlier proposal of a "strategic restraint regime" - this included mutual force reduction and freezing of missile programmes by both. Media reports quoted Pakistan Foreign Secretary Riaz Mohammed as describing the year 2007 as a "watershed" year for bilateral relations, and suggesting that there was "a need to seize the opportunity" arising from the quality and scope of talks and the international environment, to move from conflict management to resolution. Media said that Pakistan made several proposals for building confidence. These are Kashmir-specific measures, and include a helicopter service between Srinagar and Muzaffarabad, holding of sports events and a postal service across the Line of Control. Pakistan appears to have shed its earlier reluctance on starting a bus service between Kargil in Kashmir and Skardu. The two sides discussed the possibility of cross-LoC trade. They agreed to implement the Kashmir-related CBMs already decided upon. A truck service across the LoC has been hanging in the balance since April 2006, and the Foreign Secretaries agreed that this should be operationalised soon. It was also decided that the five agreed-upon crossing points on the LoC be opened. Mr. Khan said demilitarisation was important for "raising the comfort level of Kashmiris" and that it was Pakistan's expectation that "this, or something related to it" should be part of any "final shape" whenever that point was reached. Both Foreign Secretaries said there had never been such "focussed" and "sustained" discussions on the issue of Kashmir, and that discussions on the issue were taking place at various levels. An issue over which the two sides

appeared somewhat at odds was on questions relating to the mandate of the joint anti-terror mechanism. Asked about reports that Pakistan did not want acts of violence in Kashmir included in the work of mechanism, Mr. Khan said the mandate of the mechanism, as finalised at its first meeting last week, was "clear." According to him, the "emphasis" of the mandate was on preventing future acts of terrorism, while including exchange of specific information to help investigations in both countries. "As regards Kashmir, the Kashmir issue is a dispute between the two countries. That's a separate issue," he said. Mr. Menon felt the mechanism's mandate had been "laid down quite clearly by both our leaders" and it was to identify and implement counter-terrorism initiatives, including the sharing of specific information for investigation and prevention of terrorist acts in both countries. On the Samjhauta incident, India gave Pakistan a list of passport numbers against which tickets were issued for travelling in the two compartments that were bombed, to identify 19 victims of the attack. The practice then, since changed, was to issue tickets for the unreserved compartment against passport numbers but without taking down the names. Mr. Menon put to rest speculation that India was considering handing over the Jinnah House in Mumbai to Pakistan, by saying that its future had to be decided keeping in mind "the sentiments of the people of the entire sub-continent." "Jinnah was a citizen of the sub-continent, and I think we would like to find a solution that works for all of us," said Mr. Menon. Before the start of the talks in Islamabad on March 13, at the Pakistan Foreign Ministry, Foreign Secretary Shiv Shankar Menon expressed the hope that the talks would be "constructive," while his Pakistani counterpart Riaz Muhammed Khan said he was looking forward to "fruitful" talks. He said he perceived a "clear expression of political will, on both sides" to take the process forward and to "move our relationship into a phase where we will truly be able to say that we enjoy good neighbourly relations." Mr. Menon, later called on Prime Minister Shaukat Aziz and Foreign Minister Khurshid Mahmud Kasuri. Mr. Aziz told Mr. Menon that his Government was "firmly committed" to the process of the composite dialogue, emphasising the need to make it "more meaningful and result-oriented." Pakistan was keen to settle all disputes with India, including the issue of Kashmir, he said. Mr. Aziz also acknowledged the role of confidence-building measures as "instrumental in improving the ambience and relationship between the two countries." Mr. Menon said the Pakistan Prime Minister was "good enough" to acknowledge the economic potential of the two countries, but reiterated the Pakistan position that the resolution of disputes would make economic cooperation easier. Describing the composite dialogue as a process that "walks on three legs," Mr. Menon said confidence-building measures, resolution of conflicts, including the issue of Kashmir, and establishing links between the peoples to build "mutual stakes" had to progress together. "Frankly, I think the reason this process has moved forward for the last almost three years is because we have done all three things together and we have avoided getting into saying do one first, if you do this, then we can do that. We have moved forward wherever we can and I think we are satisfied with the results of that," he told journalists. On the question of progress on the Iran-Pakistan-India gas pipeline, Mr. Menon said was for India a "stand-alone project" that New Delhi was still examining for its technical and economic feasibility. "We don't see that project as being linked to the general political situation in the region," he said to a question. India would like to see the stand off over Iran's nuclear programme resolved peacefully, through diplomacy. "We think that this is possible," he said. Mr. Menon also discussed with Mr. Kasuri the April 3-4 SAARC summit in New Delhi, aside from issues concerning the composite dialogue process. "Both agreed that we would like to make SAARC a more effective instrument. We agreed that we would work together to achieve this goal," he said. Indian officials said the issue of the implementation of SAFTA, on which India and Pakistan have differences, did not come up for specific mention although it figured in the broad range of SAARC-related issues that the two sides discussed.

any material on violence in Kashmir in the talks last week here in the anti-terror meeting? There are reports that both sides are close to some agreement on Kashmir?

Foreign Secretary Mr. Menon: I think discussion should remain confidential by the nature of what we are trying to do. What we are dealing in here is not which is some thing done in the public. Its mandate is quite clear (anti-terror mechanism).

Question: What solution is there on the issue of Siachen. Secondly, when your Minister was here in January, he promised that the issue of Jinnah House will be decided very soon. Has there been any decision on that issue?

Foreign Secretary Mr. Menon: We are looking at a set of ideas for some time - set of ideas some of which we brought to the table, some of the ideas Pakistan brought to the table. And what we would like to do is, to hold a meeting of the defence secretaries and the DGMOs together as early as possible to try and clarify and to see whether we can come to an agreement on Siachen. I think this is an issue which has eluded solution for a very long time. But we are now talking about common set of ideas which we have both brought to the table. But as I said I do not want to say we have accepted they have accepted because ultimately both of us have to agree to a solution. It has to be a our common solution to the problem. We would hold meeting and we have proposed dates and Pakistan side is also keen to hold meeting so let us see. We are hopeful.

We are in the process of locating suitable premises for Pakistan Consulate General in Mumbai. We have located some land on which we think that the Consulate General can be built and which would meet the requirements. Separately, we are looking for housing for them while they build. We have shown some properties but they have not met the needs of the Consulate General. We hope to find the solution to the problem. Jinnah House itself, I think as if now there are other issues related to it. We would like to make use of the House which takes into account the sentiments of all the people of the sub-continent because he was the citizen of sub-continent too. So I think we will find a solution which works for all of us and that is what the Minister meant.

Question: The question for both the Secretaries. There are reports that India has rejected demilitarization. What is your count on that?

Foreign Secretary Mr. Menon: Demilitarization in generic sense is an idea which many people feel is a good idea. But from the Government of India point of view, it is the function of the situation on the ground, on the level of threats and violence that exist there. And that is where we as a Government with the responsibility to protect the lives and property of the people, that is angle through which we would approach it.

Question: We keep on receiving complaints of being too slow. Yesterday the meeting was only for three hours and today only for about one hour?

Foreign Secretary Mr. Menon: (to Foreign Secretary Mr. Riaz Mohammad Khan...would you defend the bureaucracy...) I would only say judge us by the results. Three years ago, nobody would have said that we would stand up and speak about our relationship that has come so far. So I think that rather to defend ourselves against this charge, you should congratulate the bureaucracy for having done this. If the bureaucracy have managed this, this is because we have been given clear leadership. And there is clear political will in the leadership on both sides to break out of the pattern of the past. That is not an easy thing. As we have been locked into a relationship for sixty years with issues we are dealing with here. So for me, it is not question of are you too slow to travel. There will be people no matter what you do, will say (that) you are too slow.

Question: There is a disappointment that the committee of jurists on prisoners have not been operationalized today. Secondly, both of you claim of having sustained dialogue in the history on Kashmir. When you are coming up with a solution.

Foreign Secretary Mr. Menon: On the prisoners, we have exchanged the names of the jurists. Pakistan has given us the names of the retired judges and we have done the same. Within next few months, the committee can meet and start doing its work. Because we are determined to solve this problem because it is a humanitarian problem. And we do not think this is a problem we should be carrying on. This is in our interest to solve this problem as quickly as possible. This determination came in our talks. You have noticed that this is the problem we have addressed every time we have met. We have made some progress in terms of releases, improvement of conditions. There is more to be done and thats why we are very keen that the committee should meet quickly. You mentioned the visit to Prime Minister Manmohan Singh visit to Pakistan. He is looking forward to the visit. He has accepted the invitation. We still have to set dates for the visit. From our point of view, we would like very much that it be a productive

visit. That have meaningful outcome and move relationship forward. When will we solve the issues that divide us, as soon as possible. That we want and that is what we are trying to do. But I cannot give you the dates. When we have a solution, we will certainly come and tell you.

Question: When are you implementing the verdict of World Bank neutral expert on Baglihar dam?

Foreign Secretary Mr. Menon: We are going ahead with the implementation of the project on the basis of verdict. That is continuing now.



280. Question in the Lok Sabha: "Sir Creek dispute".

New Delhi, March 21, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Government has conducted any joint survey to solve the Sir Creek dispute with Pakistan;
- (b) if so, the details of the disputed area and the modalities worked out therefor;
- (c) the outcome of the joint survey; and
- (d) if not, the reasons therefor?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a)-(d) A joint survey of the pillars in the horizontal segment of the boundary in the Sir Creek area was carried out in January 2005. The survey computed the position of 38 existing pillars out of the total 67 pillars erected in 1925. On 15 January 2007, the two sides started a joint survey of the creek and adjoining areas. The joint survey is currently underway.



281. Press Release of the Prime Minister's Office on the meeting between Prime Minister Dr. Manmohan Singh and Pakistan Prime Minister Shaukat Aziz.

New Delhi, April 4, 2007.

Pakistan Prime Minister, Mr. Shaukat Aziz called on the Prime Minister, Dr. Manmohan Singh, here today. The two leaders discussed a wide range of bilateral issues including trade, energy, banking, air connectivity and other issues¹.

Prime Minister Aziz assured Dr. Singh that Pakistan would take early action to return fishing boats seized from Indian fishermen to their owners. The two leaders also agreed to review the status of each other's citizens held prisoners in the two countries. They agreed to increase air connectivity between India and Pakistan. They also agreed to continue the ongoing discussions on the Iran-Pakistan-India gas pipeline. Mr. Aziz said Pakistan is ready to export cement to India taking advantage of the duty reduction announced by the Government. Mr. Aziz also informed the Prime Minister that Pakistan was issuing more visas to Sikh Yatris coming from across the world to visit Sikh shrines in Pakistan.

1. At the press conference held by EAM on April 4 at the end of the SAARC Summit the journalists asked Mr. Mukherjee about the meeting between PM and Shaukat Aziz: QUESTION: I want to ask you about the meeting between the Prime Minister and Shaukat Aziz, Prime Minister of Pakistan. Did Mr. Shaukat Aziz say anything about the Kashmir issue? And also, was there any discussion on Siachen issue and what is India's response to both?

EXTERNAL AFFAIRS MINISTER: In fact, when the two leaders discussed among themselves, they covered a large number of their bilateral relations. Not merely bilateral relations, they shared their perceptions about the regional and international issues also. So far as Kashmir is concerned, as I mentioned to you, we are having regular dialogue within the framework of the Composite Dialogue. This is the institutional arrangement continuing for quite some time. In respect of Siachen, Defence Secretary level talks are going to take place in a couple of days, I think on 6th or 7th of April it will take place and that will be the 11th round of the talks. So, talks are going on.

A Pakistani press release on the meeting said that "India and Pakistan will press ahead with a proposed gas pipeline from Iran". "They (India and Pakistan) expressed satisfaction over the progress made so far in the technical-level talks among the three sides," said the press release. The two leaders "agreed on granting permission to their respective banks to open branches and increasing air links between the countries," the Pakistani release said. They are said to have reviewed the status of the composite dialogue and discussed the issues of Jammu and Kashmir, Siachin, and Sir Creek. The Pakistan Prime Minister underscored the importance of resolving Kashmir for durable peace..."

Prime Minister Aziz thanked Dr. Singh for the financial support given to the families of the victims of the Samjhauta train incident. He complimented Prime Minister Singh for the successful and efficient conduct of the SAARC summit. He also expressed satisfaction at the content of the discussions at the summit.



282. Joint Press Statement issued at the end of India-Pakistan Defence Secretary level talks on Siachen.

Islamabad, April 7, 2007.

The Defence Secretary level talks between Pakistan and India on the Siachen issue within the framework of the Composite Dialogue were held in Rawalpindi on April 6-7, 2007. The Pakistan delegation was led by Mr Kamran Rasool, Defence Secretary while the Indian delegation was led by Mr Shekar Dutt, Defence Secretary.

2. The discussions were held in a candid and constructive atmosphere. The two sides reaffirmed their commitment to the November 2003 ceasefire between the two countries which is holding successfully.
3. The Indian Defence Secretary also called on Rao Sikandar Iqbal , Senior Minister for Defence.
4. The Defence Secretary agreed to continue the discussions to resolve the Siachen Dispute in a peaceful manner¹.



1. A report in the Pakistani paper *Daily Times* said that Pakistan had softened its position on the question of authentication of maps indicating the present troops position on the ground as suggested by India. The report said Pakistan had offered a package deal under which it had agreed to the Indian suggestion for authentication "but asked for time-bound withdrawal of troops to the pre-conflict position as a quid pro quo", the paper reported. "Pakistan would also like India not to use authentication for any sort of legal claims in future," the paper quoted its sources as saying. Earlier the leader of the Indian delegation Defence Secretary Shekhar Dutt on arrival in Islamabad for the talks had said "I am sure we are heading for a resolution." Meanwhile Defence Minister A. K. Antony on May 5 during his visit to Siachen reiterated that India was in no hurry to vacate unfriendly heights of the Siachen glacier and Saltoro Ridge saying there was no question of troops withdrawal until Pakistan agreed to authentication of the 110-km Actual Ground Position

Line (AGPL). He said: "I can't say if a solution is in sight ... Before any forward movement, we must authenticate relative troop positions on sides of the AGPL." However there was no change in the Pakistan position. India in the face of Pakistani reluctance could too make no further move. When Defence Minister was asked by journalists on June 18 whether India and Pakistan were closed to resolving the Siachen dispute, Defence Minister Mr. Antony pointed out that India had "stated very clearly" that any forward movement would depend on Pakistan agreeing to authenticate the Actual Ground Position Line (AGPL) and troops position. The Pakistani Spokesperson responded to Defence Minister's observations and said in Islamabad on June 20th "Repetition of a rigid position that Pakistan has already rejected is not going to be of any help and will lead to nowhere." It may be relevant to recall that Prime Minister Dr. Manmohan Singh had proposed two years ago that the icy heights of Siachen in Jammu and Kashmir be demilitarised and converted into a "mountain of peace". However, before undertaking demilitarisation, New Delhi has been insisting on "iron-clad" authentication by Islamabad of the present troop positions of the two countries as it is wary of repetition of Kargil experience when Pakistani troops captured mountain heights vacated by India in winter. Pakistan's reluctance to authenticate has prevented any forward movement in talks over the issue.

283. Speech of Foreign Secretary Shivshankar Menon at Jamia Millia Islamia: "India-Pakistan: Understanding the Conflict Dynamics".

New Delhi, April 11, 2007.

Vice Chancellor

Murshirul Hasan,

Prof. Rashmi Doraiswamy,

Faculty and the Researchers of the Academy of Third World Studies,

International participants,

Students, and Friends

Thank you for asking me to speak to your seminar on 'India-Pakistan: Understanding the conflict dynamics'. From the abstract of the papers and the agenda that I have seen, you would have had a stimulating discussion over the last two days. Perhaps I can offer you the limited view of a practitioner, of someone who tries to practice what you analyze.

2. Let me begin with the fundamental premise that India seeks a peaceful and prosperous periphery. We do so in our own self-interest. Without a peaceful and prosperous neighborhood, we cannot concentrate upon the urgent task of improving the lives of our people through continued and rapid social and economic development. It therefore follows that good-neighborly relations with Pakistan, or at least normalized relations and a modus vivendi, are in India's interest as a part of durable peace and stability in the sub-continent.
3. In seeking this goal, we have indeed moved forward considerably in the last three years, making progress through high level visits, the composite dialogue and other institutional mechanisms such as the Joint Commission. As a result trade and travel have been partially normalized, a ceasefire is in place and holding since November 2003, and, for the first time in sixty years over four thousand people have been permitted to travel across the LOC. Our formal bilateral trade has increased to just over one billion dollars last year and possibly three times that amount informally. Differences and issues between

the two countries, including Jammu and Kashmir, are being discussed by both countries in a dialogue that is unprecedented in its depth and quality.

4. And yet, as we all know, India's relations with Pakistan at present are not normal, let alone good neighborly. We have yet to achieve our objective of durable peace and stability.
5. I would therefore like to examine why India-Pakistan relations have been so unsatisfactory for so long, and what we might do about them. To clarify my standpoint at the outset, I believe that thanks to the peace process we stand at a moment of opportunity to remake our relations fundamentally, breaking out of past patterns, and that we need not repeat the past if we learn from it.
6. While both India and Pakistan feel that India-Pakistan relations are unsatisfactory, each of our societies has its own received wisdom on why they are so. To an outside observer these ideas might appear as self-reinforcing and self-perpetuating myths, or self-fulfilling prophecies.
7. In Pakistan, for instance, I have heard three kinds of arguments that seek to explain the unsatisfactory nature of our relations:

U One might be called the foundation myth. This believes that India wants to undo Partition, is inveterately hostile to Pakistan, and attempts through hegemonic behavior to destroy Pakistan. I am afraid that this argument flies in the face of the reality of the last sixty years and of India's evident self-interest. No political party or responsible or influential person in India wishes to undo Pakistan. Just thinking through the political, demographic, and other consequences of any such attempt proves that it would be against India's self-interest.

India has quite enough to do trying to develop herself and to transform her own society without adding a complicated attempt to re-integrate portions of the sub-continent that were separated sixty years ago. Instead, India needs a stable, prospering Pakistan, at peace with herself, on India's periphery. India sincerely believes that a stable, prosperous and moderate Pakistan is in the interest of India and the sub-continent. When our neighbors live in peace, we live in peace. I would assume that the same is true of Pakistan. A stable, prospering India could actively assist Pakistan's quest to develop herself.

- U The second argument might be called the national security myth. This argues that the asymmetry in size, power and development between the two countries makes India-Pakistan hostility inevitable. This is a rather strange argument since no two states in the world are evenly matched or identical. In fact it is the differences between them that create the complementarities that allow them to work, live and trade together. Nor do much greater asymmetries with Pakistan's other partners like the US and Western Europe and China prevent Pakistan from working with them. If, however, despite the possession of nuclear weapons and India's no-first-use policy there are feelings of insecurity in Pakistan, India is ready to discuss these issues in a dialogue on nuclear doctrines, military-to-military contacts, and military CBMs, both conventional and nuclear, either officially or through think tanks and other less official means. A small beginning has been made in the last two years, but we would be ready to build on this rapidly if Pakistan wishes to.
- U Thirdly, the Kashmir issue is sometimes used to argue that India-Pakistan hostility is inevitable. Kashmir is sometimes even described as the unfinished business of Partition, or as a reflection of a fundamental religious divide between two communities that cannot live together. This is patently false, as over thirteen centuries of Islam in the sub-continent prove. The social practice of religion in the subcontinent is in no way mutually antagonistic, whether it is Islam or Hinduism or Christianity or Buddhism or any of the myriad religions that have coexisted peacefully in India for centuries. It is the mixture of politics in the sphere of religion that has made differences over issues like Kashmir incendiary.
8. This is not to say that no inaccuracies are purveyed in India about Pakistan.
- U One of them is that Pakistan has a fundamental identity problem and can therefore only define herself in anti-Indian terms. This is clearly not the case in reality. There are several instances which one can cite which show that at the popular level there is no instinctive hostility or revulsion towards each other in either Indian or Pakistani society. This suggests that there is no real identity problem in the populace, whatever some intellectuals may like to think. In fact what one sees when Indians and Pakistanis are together is a common and spontaneous celebration of cultural affinities formed by a common history and geography rather than fear of the other.

- U The other argument that one hears in India questions the role of Pakistan Army, arguing that the Pakistan Army needs hostility towards India in order to justify its hold on power in Pakistan. To me this too does not seem a sufficient explanation. The Pakistan Army's dominance over Pakistan's internal political space has now lasted for so many years, and is so complete, that it seems no longer to need an external threat to justify its rule. The leaders of Pakistan themselves acknowledge today that Pakistan does not face external threats and that the real threats to Pakistan are internal.
- U As in Pakistan, there are also some in India who present India-Pakistan hostility as somehow a reflection of the communalism versus secularism paradigm. As I said before, this ignores the social reality of the sub-continent, the history of religious tolerance, and the current reality where it is a small handful of organizations and people who attempt to communalize politics and the situation in each of our countries.
9. I have gone through this in some detail in order to show that none of these purported reasons is a wholly satisfactory explanation for a sixty year long unhappy relationship. It is therefore necessary for us to dig deeper and perhaps to think a little more seriously about the causes of this situation. I would be very happy to hear your views on this. To start off a discussion, I would like to suggest four aspects that seem relevant to me.
10. Though India and Pakistan differ in how we make foreign policy in our countries, it is clear to me that our national goals and grand strategies need not necessarily be in conflict. There is, however, an asymmetry that operates here, or what might be called a vision deficit in the relationship. India has been relatively clear and open since the forties in enunciating a grand strategy for her foreign policy that attempts primarily to develop her own society and economy and seeks to use foreign policy to maximize this welfare function, creating strategic autonomy. When it comes to Pakistan, it has also been the Indian practice to attempt to outline a broader vision of the relationship and to describe the sort of relationship that India would like to enjoy with Pakistan. The most recent examples are a series of speeches and statements by Prime Minister Manmohan Singh, particularly that in Amritsar on March 24 2006, when he outlined his vision of a cooperative relationship between India and Pakistan which would benefit both

countries and the region. I am not aware of a similar description of Pakistan's larger or longer-term vision for a relationship with India apart from Jinnah's wish that Pakistan should be to India as Canada is to the USA. Does this vision deficit matter? It matters because even the issues that divide us would be easier to solve if one had a common goal or purpose or vision of the sort of relationship that we wish to build in the future. In theory, one can envisage several futures for India and Pakistan, ranging from a cold peace to active cooperation to regional economic integration. It would certainly be useful if we had a shared vision of where we wish to be on that spectrum of choices.

11. Real peace is more than an absence of violence. And to be secure, peace must be based on shared interests and common prosperity. I think that we already have some common interests, even in what now divides us. Unfortunately much more remains to be done by Pakistan to curb cross-border terrorism, which continues, despite some fluctuations and variations over time. In fact, the tragic earthquake in 2005 saw the rehabilitation and increasing public prominence of terrorist organizations in Pakistan and J&K. Even on the river waters that we spend so much time arguing about, the Indus Waters Treaty itself envisages a cooperative future of joint development of the river basin by both countries.
12. It therefore seems to me that we already have common interests. We could also have common prosperity if we chose to make that our goal. As Prime Minister Manmohan Singh has said, instead of looking at each other as adversaries, we must have the courage to see each other as supporting the other for the realization of a better tomorrow.
13. Secondly, the vision for India-Pakistan relations that I speak of enjoys consensus across the broad political spectrum in India. Hence the surprise that is often expressed in Pakistan when opposition politicians from India sound like members of the government. This occurs not just because of the opposition's expectation, which is reasonable in the Indian system, that they may form the government one day. It is due to the consensual basis of foreign policy that we work to create and maintain in India. The point I am trying to make is that India's domestic politics do not make India-Pakistan hostility inevitable. (One cannot say the same for Pakistan.) This requires that India-Pakistan relations should not become a subject of intra-party dispute or grandstanding in domestic political competition in

either country. That is only possible if, as I said, there is an overarching vision of the sort of a relationship that one seeks with the other. It also requires strict non-interference in each other's internal affairs.

14. Thirdly, each of us has a tendency to project upon the other our own political experience and attitudes. For instance, I have often heard Pakistani leaders speaking about Indian intelligence agencies in terms of respect and awe that no Indian would use. We need to learn to recognize the differences in our systems and in the way we work, and the effect that this has upon our ability to handle the relationship. Otherwise, these projections become self-perpetuating. Over the last sixty years we have had very little experience of working together successfully to solve problems. This needs to be built up and can only be done if we are willing to accept the differences in our approaches while building on our commonalities. For instance, we have heard a great deal from Pakistani commentators recently of some form of India-Pakistan competition in Afghanistan, using outdated nineteenth century notions from the Great Game. These reflexive reactions fail to reflect today's reality. India's commitment to the peaceful reconstruction of Afghanistan is considerable, extending to a US \$ 750 million cooperation programme. India, Afghanistan and Pakistan have a common interest and should actually be working together to bring peace and defeat extremism in our periphery. And we have an opportunity to do so together now that Afghanistan is also a member of SAARC.
15. Lastly, it seems to me that for too long a limited military strategist's view of the relationship has prevailed, which reduces it to a zero-sum game. National sovereignty and territory have always been the hardest terms in which to resolve issues. To deal successfully with our issues involves changing the terms in which we think and approaching them flexibly, or thinking outside the box. We have begun doing so. Over the last two years both leaders have started a process of dialogue and contact which has led to widespread debate in both our countries on a solution to the Kashmir issue. Contact across the LOC has resumed. Opening a new bus route between Poonch and Rawalakot, beginning truck traffic between Srinagar and Muzaffarabad, and for meeting points on the LOC are being implemented. India is also ready to open the Gilgit-Skardu bus route.

16. If we define our own security in the broader terms of people's welfare rather than the hard power of the state, many of the issues that divide India and Pakistan would be much easier to resolve. This is a lesson that India, China and other states have come to through experience over time, which we can see being implemented in our neighborhood. Every successful experience of overcoming differences and resolving problems in the rest of the world suggests that issues are easier to resolve when a cooperative atmosphere exists between the parties. If we were to grasp the opportunity that rapid economic growth in both our countries has created, opening up trade and transit, we would be enlarging constituencies for peace.

The experience of the last three years suggests that the people of India and Pakistan are actually ahead of their establishments, and have provided the driving force for the peace process. People-to-people contacts and CBMs should continue unconditionally and wholeheartedly if the harder issues are to be resolved. Let us move step by step, doing much more to create an environment in which we can move forward. As the old saying goes, "A road is made by walking."

17. You would notice that I have made no mention of the rest of the world in looking at India-Pakistan relations. You might find this strange from a diplomat. The reason is simple. Even as we are more integrated with a globalised world, our dependency on the world is less today than before. Today India and Pakistan have more independent agency in the world system than ever before. I hope and expect that this will grow in the future. The outside environment, regional and global, is supportive to our attempt to remake India-Pakistan relations, to an unprecedented extent. But in the final analysis, it is for India and Pakistan to take responsibility for our own relationship and our future.
18. I have raised these issues honestly with you because I do believe that those who do not learn from history are condemned to repeat it. There would be nothing worse for India and Pakistan than to repeat in the future the sterile pattern of hostility of the last sixty years. Thanks to the peace process, we today have an opportunity to break out of this pattern. I do hope that we will take it.



284. Statement by Official Spokesperson on the terrorist attack in Pakistan.**New Delhi, April 29, 2007.**

India condemns the terrorist attack¹ and loss of life in Pakistan. The Union Home Minister has written to Mr. Aftab Ahmed Khan Sherpao, the Interior Minister of Pakistan strongly condemning the terrorist attack in Peshawar yesterday and extending condolences for the loss of life.

**285. Statement by Official Spokesperson on the comments on Jammu & Kashmir by the Islamic Conference of Foreign Ministers.****New Delhi, May 17, 2007.**

We note with regret that the Islamic Conference of Foreign Ministers has once again chosen to comment upon Jammu & Kashmir in the Islamabad Declaration adopted by the ICFM. Jammu & Kashmir is an integral part of India and the OIC has no locus standi in matters concerning India's internal affairs. We reject all such references / resolutions on Jammu & Kashmir².



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1. The Spokesperson was referring to an apparent suicide bomb attack on Pakistani Interior Minister Aftab Ahmad Khan Sherpao on April 28 in which at least 28 people were killed and over 40 others injured. Mr. Sherpao survived the attack but sustained injuries on his legs from flying shrapnel and pellets. Police investigators said the suicide bomber was less than 10 feet from the interior minister when he detonated the explosive strapped around his body. The attack occurred at Station Koroona in Chrsadda town about 28 km northeast of Peshawar, in the Northwest Frontier Province.
 2. The OIC in its communiqué issued in Islamabad *inter alia* said: "On Jammu and Kashmir, the foreign ministers reaffirmed their support to the Kashmiris' right to self-determination in accordance with the relevant UN Security Council resolutions. They called for respect of human rights of the Kashmiri people and agreed to provide all possible political and diplomatic support to representatives of the Kashmiri people in their struggle against foreign occupation. They hoped that the composite dialogue between Pakistan and India would lead to a resolution of the Kashmir dispute and usher in lasting peace in South Asia."

286. Joint Press Statement issued after India-Pakistan talks on Sir Creek under the Fourth Round of the Composite Dialogue.

Rawalpindi, May 18, 2007.

India-Pakistan talks on Sir Creek under the Fourth Round of the Composite Dialogue were held at Rawalpindi from May 17-18, 2007. The Indian delegation was headed by Maj.Gen.M.Gopal Rao, Surveyor General of India and the Pakistan delegation was led by Rear Admiral Tanveer Faiz, Additional Secretary, Ministry of Defence

2. The talks were held in a cordial and friendly atmosphere.
3. The two sides expressed satisfaction at the successful completion of the joint survey of Sir Creek and adjoining areas.
4. The two sides discussed the delimitation of the maritime boundary as well as the delineation of the boundary in the Sir Creek in the light of the results of the joint survey. They exchanged maps/charts showing their respective positions on the delineation of the boundary in the Sir Creek and delimitation of the maritime boundary.
5. The two sides agreed to continue discussions for amicable settlement of the issue.
6. The Indian delegation also called on Mr. Kamran Rasool, Secretary Defence.



287. Press Release of the Ministry of External Affairs on Government of India's decision to repatriate 40 Pakistani prisoners.

New Delhi, June 29, 2007.

The Government of India has decided to repatriate 40 Pakistani prisoners including 10 fishermen. They will be handed over to Pakistani authorities at the Attari border on 30 June 2007.² We are awaiting nationality confirmation of 48 other fishermen and they will be repatriated immediately thereafter. We are committed to early release and repatriation of all those Pakistani nationals who have completed their prison sentence.



288. Joint Press Statement on the Secretary-level talks on Promotion of Friendly Exchanges in Various Fields under the Fourth Round of the Pakistan-India Composite Dialogue.

Islamabad, June 29, 2007.

The Secretary-level talks on Promotion of Friendly Exchanges in Various Fields under the Fourth Round of the Pakistan-India Composite Dialogue was held in Islamabad on 28 - 29 June 2007. The Pakistan delegation was led by Mr. Salim Gul Sheikh, Ministry of Culture and the Indian delegation was headed by Mr. Badal K. Das, Secretary, Department of Culture, Ministry of Tourism & Culture.

2. The talks were held in a friendly and cordial atmosphere. The two delegations reviewed the implementation of various proposals exchanged during the Third Round of talks in New Delhi in 2006.
3. The two sides also made a number of proposals for promoting cooperation in the fields of Art and Culture, Archeology, Sports, Youth Affairs, Traditional Systems of Medicine, Education, Information and Media, Tourism and Visits to Religious Shrines.
4. The two sides discussed a Programme of Friendly Exchanges between the two countries for the period 2007-2009, and agreed to work towards its expeditious implementation.
5. The India delegation also called on Dr. G.G. Jamal, Minister for Culture.



289. Joint Statement issued at the end of 4th round of India-Pakistan talks at the level of Home Secretaries to combat terrorism.

New Delhi, July 3, 2007

The fourth round of Home/Interior Secretary Level Talks between India and Pakistan on Terrorism and Drugs Trafficking, as a part of the continuing Composite Dialogue process between the two countries, was held in New Delhi on July 3, 2007. The Indian delegation was led by Shri Madhukar Gupta, Union Home Secretary while the Pakistan delegation was headed by Syed Kamal Shah, Secretary, Ministry of Interior.

2. Frank and candid discussions were held in a constructive and friendly atmosphere.
3. Both sides strongly condemned all acts of terrorism and underlined the imperative need for effective and sustained measures against terrorist activities.
4. The two sides recognized that terrorists and criminals in either country need to be given swift and effective punishment.
5. Both sides welcomed the release of prisoners and fishermen by each other on the eve of these Talks as a gesture of goodwill and on humane considerations.
6. They also agreed to release by August 14-15, 2007, those prisoners who have been granted consular access, whose national status has been verified and who have completed their prison sentences. To this end, they agreed that immediate steps will be taken by either side to reconcile their numbers to facilitate their early release on completion of necessary formalities.
7. The two sides also agreed to release by August 14-15, 2007 the remaining fishermen in each other's custody on completion of due process. They further decided to take immediate steps to release the fishing boats, excluding trawlers, in each other's custody.
8. Both sides agreed that the recently formed Committee on Prisoners, comprising eminent retired judges from the two countries, is a useful instrument to facilitate release and repatriation of prisoners who have

served their prison sentences. It was agreed that action would be initiated to hold two meetings, one in India and the other in Pakistan, within a period of 3 months by which time the necessary reconciliation of numbers of prisoners on both sides would have been completed.

9. Separate working groups discussed in detail the drafts of the revised Visa and Consular Access Agreements aimed at liberalizing and making existing provisions more effective. The text of the Agreement on Consular Access has been finalised. Also, they made considerable progress towards early finalisation and signing of the Visa Agreement.
10. Both sides assessed as positive the existing cooperation and information sharing between the Narcotics Control Bureau of India and the Anti Narcotics Force of Pakistan and agreed that both Agencies would enhance mutual cooperation in terms of effective and sustained steps to control drugs trafficking. They also agreed that a Memorandum of Understanding (MoU) between the two drug control agencies will be signed at the earliest possible.
11. Both sides appreciated the continuing interaction between the Central Bureau of Investigation of India and the Federal Investigation Agency of Pakistan in the areas of human trafficking, illegal immigration and counterfeit currency, and underlined the need to further intensify it.

The nodal points in both Agencies will meet periodically to facilitate early disposal of Interpol related cases.

12. It was agreed to continue the discussions within the framework of the Composite Dialogue.



290. Press Release issued by the Ministry of Home Affairs on the India - Pakistan talks to combat terrorism.

New Delhi, July 4, 2007

In the Home Secretary Level talks between India and Pakistan on Terrorism and Drug Trafficking, held yesterday, the following main points emerged and the decisions taken :-

- (i) India raised its concerns relating to terrorism and fugitives. It was agreed that effective and sustained measures would be taken to combat the menace of terrorism.
 - (ii) It was agreed that terrorists and criminals in either country would be effectively dealt with.
 - (iii) It was agreed to enhance the cooperation between CBI and FIA in the areas of human trafficking, illegal immigration and counterfeit currency. The nodal points in both the agencies will meet periodically to facilitate early action on Interpol related cases.
 - (iv) It was agreed that all fishermen will be released by August 14-15, 2007. It was also agreed that fishing boats in each other's custody will also be released.
 - (v) Efforts will be made by both sides to reconcile the number and identities of prisoners in each other's jails.
 - (vi) All those prisoners who have completed their sentences will also be released by both sides by August 14-15, 2007.
 - (vii) A protocol on Consular Access was discussed in detail and was finalized.
 - (viii) Detailed discussions took place on the draft Visa Agreement. Considerable progress was made in finalizing some of the provisions.
 - (ix) After detailed discussions, it was agreed that an MoU on Narcotics Control between the two agencies could be signed in the near future.
2. The discussions were held in a candid and cordial atmosphere.



291. Joint Statement on the Fourth Round of India-Pakistan talks on Economic and Commercial Cooperation.

New Delhi, August 1, 2008.

The Fourth Round of India-Pakistan talks on Economic and Commercial Cooperation within the framework of the Composite Dialogue was held on 31 July-1 August 2007 in New Delhi.

The Indian delegation was led by Commerce Secretary, Shri G.K.Pillai and the Pakistani delegation was led by Syed Asif Shah, Secretary, Ministry of Commerce.

The talks were held in a cordial and constructive atmosphere. The two sides recognized the satisfactory progress on the initiatives agreed during the Third Round of the talks held in Islamabad on 28-31 March 2006. The two sides agreed on the following:-

- U Both sides emphasized the importance of having bank branches in either country to facilitate trade. Both sides agreed to finalise the processing of the applications for the two bank branches in either country within six months of the receipt of applications or by 31st December 2007 whichever is later.
- U To facilitate import of cement from Pakistan, the Indian side informed that India will complete all statutory certification related formalities on a fast track. The Indian side informed that it is also in the process of making appropriate policy changes to accept third party certification.
- U To facilitate import of tea from India it was agreed to facilitate and encourage the trading of tea through rail. Pakistan side noted the request for providing duty concessions on import of Indian tea,
- U Pakistan will nominate representatives to the Joint Working Group to discuss the issues relating to joint registration of Basmati rice as GI and the first meeting of the Group will be held at an early date. The Pakistan side raised the issue of Notification issued by India declaring 'Super Basmati rice' as an approved variety for export. India agreed to look into this issue.
- U The Indian delegation handed over a list of 484 tariff lines for inclusion in the Positive List of items importable from India. The Pakistan side agreed to examine the request in consultation with stakeholders.

- U The Indian side informed that a Task Force comprising of representatives from various ministries and departments of Government of India has been constituted to address the issues of Non-Tariff Barriers (NTBs) and para-tariffs. The Task Force will make recommendations in a time bound manner for removing these barriers to provide greater market access to all members of SAARC.
- U In order to address the issue of imbalance in bilateral trade, the Indian side invited the Pakistan side to identify twenty products of its export interest so that India could inform Pakistan about the detailed import regime on these products with a view to facilitating their import into India.
- U Both sides will facilitate holding of trade exhibitions in each other's country. The Indian side invited Pakistan to organize a "Made in Pakistan" Trade Fair in India.
- U A delegation from Pakistan was invited to visit India to see some of the IT-enabled tele-medicine facilities, with the objective of exploring avenues of cooperation in this field.
- U The Indian side agreed to convey a response by 30th September 2007 to the draft MOU on Assistance of Mutual Cooperation in Capital Markets conveyed by Security and Exchange Commission of Pakistan (SECP) to Security Exchange Board of India (SEBI).
- U Both sides noted with satisfaction the progress made on laying of the optical fibre link and agreed to establish connectivity at an early date.
- U The Export Credit Guarantee Corporation of India Limited (ECGC) will provide detailed proposals for capacity development in the field of export insurance cooperation for consideration by Pakistan by 30th September 2007.
- U The Pakistan side raised the issue of amounts outstanding against the Indian Post Office. The Indian side handed over an aide memoire to the Pakistan side. Both sides agreed to discuss the matter further for settling the issue.
- U The Indian side made a presentation on the state of development of Integrated Check-post (ICP) planned to be developed at Wagah/Attari Border at the Indian side. The Pakistan side also briefed on the state of

infrastructure and proposed plan for development on its side. Both sides agreed to continue the exchange of information on the development of ICs on either side.

- U Both sides noted with satisfaction the initiative to allow cross border movement of trucks, up to designated points at Wagah/Attari, for unloading/reloading of cargo. It was decided that the first technical level meeting to work out modalities would be held on 20th August 2007 at the Wagah border on the Pakistan side¹.
- U To facilitate movement of cargo it was decided that Technical Teams from Pakistan and Indian Railways will meet to decide the modalities for inter change of air braked stock and containers.
- U Indian side also proposed that in order to reduce pressure on Attari-Lahore Rail route and to improve trade, the Munabao-Khokrapar route should be opened for freight movement. Pakistan side noted the proposal.
- U Both sides agreed to constitute a Joint Group headed by Joint Secretaries of Commerce of both countries to monitor and coordinate the decisions taken during the Fourth Round of talks on economic and commercial cooperation within the framework of Composite Dialogue.



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1. During his visit to New Delhi the leader of the Pakistani delegation Syed Asif Shah had a meeting with the Minister of State for Commerce Jairam Ramesh who later told the media that Pakistan moving further in enhancing trade relations and giving an impetus to the peace initiative as well, expressed its willingness to allow trade through the Line of Control (LoC) in Jammu and Kashmir in a limited number of goods. "In my discussions with Mr. Shah, I raised the issue of whether trade can be done through LoC, to which Pakistan's Commerce Secretary's replied that Pakistan was in favour of duty-free movement of goods through this route for a limited number of items," Mr. Ramesh said. Interestingly Pakistan's willingness for free trade through Jammu and Kashmir came barely a fortnight after Prime Minister Manmohan Singh stated that the 'Line of Control' could become a line of peace with a free flow of ideas, goods, services and people. When asked whether the trade on the LOC could begin this year, Mr. Shah told Mr. Ramesh certain infrastructure needed to be rebuilt since many bridges had collapsed in the devastating earthquake in October 2005. Mr. Shah also told Mr. Ramesh that there was a feeling of openness in trade and "we need to take it forward." Mr. Shah said that he would take back home India's proposal on investment along with trade in merchandise. Mr. Ramesh suggested to the Pakistani Commerce Secretary that the trade point in Jammu and Kashmir could start operating on the lines of the Nathu La Pass in Sikkim. "If we can open Nathu La for trade with China, there is no reason [why] we cannot do it in Jammu and Kashmir," Mr. Ramesh said.

292. Joint Statement on the Third Meeting of India-Pakistan Joint Study Group (JSG) at Commerce Secretary - level.

New Delhi, August 3, 2007.

The Third Meeting of India-Pakistan Joint Study Group (JSG) at Commerce Secretary -Level was held in New Delhi on 2 August 2007, co-chaired by Mr. G. K. Pillai, Commerce Secretary, Government of India, and Syed Asif Shah, Secretary, Ministry of Commerce, Government of Pakistan.

2. Commerce Secretary, Government of India, welcomed the visiting delegation of Pakistan and underscored the need for the JSG to prepare their recommendations in a time bound manner. The JSG report should aim at developing a policy framework to maximize benefits of geographical proximity, identifying opportunities for enhancing economic cooperation and create a framework for facilitation of trade in goods including elements such as customs cooperation, standards, certification system etc.
3. Commerce Secretary, Government of Pakistan, while agreeing with the need to facilitate trade, said that in the spirit of the Article XXIV of GATT, India should consider creating special provision for giving more market access to Pakistan. India noted the request. He proposed that the Sub Groups on Customs Cooperation and Trade Facilitation Measures, SPS & TBT Measures, and Standards & Conformance should meet every six months in order to ensure speedy implementation of the recommendations of the JSG, which was agreed to by Commerce Secretary, Government of India.
4. The Pakistan side proposed to set up a sub group to address the issue of market access arising out of subsidies extended to the agriculture sector in India; the Indian side noted the proposal.
5. The Sub-groups and Working groups on Custom Cooperation and Trade Facilitation Measures; Standards and Conformance and Sanitary and Phyto-sanitary measures, after their deliberations, prepared their respective Records of Discussion.
6. The Sub Group on Customs Cooperation and Trade Facilitation Measures reached consensus on the following issues:

- a) To work towards a bilateral agreement on Customs Cooperation on specific bilateral issues;
 - b) To constitute a Customs Border Liaison Committee at Attari-Wagah border to meet once in two months to resolve the operational issues at the field level;
 - c) To work towards electronic exchange of information, including to verify the adherence to the Rules of Origin;
 - d) To meet at six monthly interval alternatively in India and Pakistan.
7. The Sub Group on Sanitary and Phyto-Sanitary Measures reached consensus on the following issues:
- a) It was agreed to exchange a list of 20 products of export interest to both sides by 31 August 2007 and prepare a Compendium of procedures for their trade facilitation. Though this would be a continuous process, efforts would be made to complete the exercise and place it on their respective websites by 31 December 2007.
 - b) The Non Tariff (SPS & TBT) issues associated with the identified commodities or any other product would be exchanged by 30 September 2007 and the same would be resolved in the working group meeting scheduled for November 2007.
 - c) Two country level workshops, one in each country, would be organized, the first to be held in the first week of November 2007 in Pakistan and the second in India in the first week of January 2008.
 - d) It was agreed to mutually extend technical assistance in capacity building and to identify the areas in which the same can be extended.
 - e) Both sides agreed to forge consultative mechanisms for taking common positions in international standard setting fora. As a first step it was agreed that international meetings under Codex, IPPC, OIE, that are of interest to both sides would be identified for the next six months and the possibility

of exchange of views prior to these meetings would be explored. This will be done by 30 September 2007.

- f) It was decided to finalize an agreement on SPS & TBT for acceptance of each other's inspection and certification systems. The first draft in this respect would be exchanged by 31 December 2007.
 - g) On the specific issue of testing of azo-dyes in textile products imported from Pakistan, India will consider for acceptance, certification by a laboratory duly accredited, as per international norms. The Pakistan side will send the details of such laboratories, including the details of the accreditation body, to the Indian side by 31st August, 2007
8. The Sub Group on Standards and Conformance reached consensus on the following issues:
- a) Comments on draft MOU between BIS and PSQCA, if any would be sent by Pakistan by the end of August 2007. India would reciprocate with the final draft by the 30 September 2007.
 - b) In reference to Mutual Recognition Agreement (MRA), Pakistan side assured that the said document would be sent by the 30 September 2007. India would respond on these comments by the 30 November 2007.
 - c) To facilitate export of cement from Pakistan to India, BIS agreed to finalize the process of certification of the three Pakistani cement factories, from which samples have already been taken, by 15 September 2007. It was further agreed to put other applications by Pakistani cement manufacturers for BIS registration/certification on a fast track.
 - d) Both sides agreed that initially the list of products under mandatory certification in both countries would be considered for examination for trade facilitation. The information on testing facilities for such items would be exchanged between both countries within a period of one month.

- e) For the purpose of harmonization of standards it was mutually agreed that initially standards for Cement may be taken as pilot project, to be extended to other products of mutual interest.
- 9. Both sides agreed on the timelines for various activities recommended by the sub-group and the working groups.
- 10. Commerce Secretary of Pakistan expressed his appreciation and thanks for the excellent arrangement made for the meeting and the hospitality extended by the Government of India to the Pakistan delegation.



293. Briefing by Official Spokesperson on the release of Pakistani nationals by India, and Indian fishermen and prisoners by Pakistan.

New Delhi, August 13, 2007.

...On the release of prisoners, let me share with you that Government of India is releasing 72 Pakistani nationals including 48 fishermen and 24 prisoners on 14 August 2007 in accordance with the decision taken at the meeting of Home Secretaries of both countries in New Delhi last month.

We have noted that the Government of Pakistan has announced the release of 100 Indian fishermen and 35 prisoners on 13 August 2007. We had hoped that in accordance with the decisions announced during the Home Secretary level talks, all fishermen in custody in Pakistan as also the boats would have been released.

We will continue with our efforts with the Government of Pakistan to ensure the early repatriation of all Indian national in custody in Pakistan. We also look forward to the release of 327 Indian boats detained by Pakistan.

Question: How many fishermen and other Indian prisoners are now left in Pakistan?

Official Spokesperson: After this release, 296 Indian fishermen and 327 boats are in Pakistani custody. A total of 156 Indian prisoners are stated to be in Pakistani custody of which the nationality status of 47 has been

confirmed. So after the release of 35 prisoners as announced by Pakistan, a total of 121 prisoners are remaining in Pakistani custody. So that is 296 fishermen and 121 prisoners.

Question: How many Pakistani prisoners are left in India?

Official Spokesperson: In India after the release of 24 prisoners has been announced, 155 confirmed Pakistani prisoners remain in India and are serving their sentences. After the release of 48 fishermen by India all those whose consular access has been completed and National Status confirmed have been repatriated to Pakistan. Only 8 Pakistani fishermen who were arrested on 17 July 2007 remain and they will be produced for consular access shortly.

Thank you.



294. Joint Statement issued at the conclusion of the India and Pakistan trade facilitation talks.

Wagah border, August 20, 2007.

The technical-level meeting between Pakistan and India to work out the modalities to allow cross border movement of trucks, up to designated points at Wagah/Attari, for unloading/reloading of cargo was held at Wagah on August 20, 2007. The Pakistan side was led by Mr. Ali Salman Abbasi, Collector of Customs, Lahore and the Indian side was led by Shri S. K. Swami, Director (BM), Ministry of Home Affairs.

2. The talks were held in a cordial and constructive atmosphere. Recognizing the importance of trade facilitation measures, the two sides agreed on the following:
 - i) trucks from one side would be allowed to go to designated points on the other side at the Wagah/Attari border for unloading of cargo;
 - ii) a hotline would be established between the two Customs authorities at the Wagah/Attari border;
 - iii) to obviate the need for passports, visas and international driving license, a system of computerized single entry permits

would be introduced. These permits, which would be issued in triplicate by the respective Customs authorities, would contain a picture ID of the driver, his name, address, license number and details of the vehicle;

- iv) initially, trucks of up to the size of ten-wheelers would be allowed to cross over to the other side;
- v) the drivers of these trucks would wear bright yellow jackets/ vests with "Driver-Pakistan" inscribed on the back of the Pakistani drivers and "Driver-India" inscribed on the back of the Indian drivers;
- vi) the operation of trucks shall take place between 0700-1400 hours PST and 0730-1430 hours IST;
- vii) in case of force majeure, the Customs authorities of the two sides at Wagah/Attari border shall establish hotline contact to work out the modalities of further action;
- viii) the Customs authorities of the two sides may also consult each other to resolve local issues as and when required;
- ix) to operationalize the system by October 1,2007;
- x) to further facilitate this procedure, the two sides shall open a dedicated cargo gate towards South-East of the existing Pakistan Customs House and South-West of the existing Indian Customs House at the Wagah/Attari border. A fenced path shall connect the two Customs Houses through this gate; and
- xi) upon completion of this dedicated cargo gate, all cargo traffic shall pass through it.



295. Joint Statement on Composite Dialogue between India and Pakistan, on the Tulbul Navigation Project/Wullar Barrage.

New Delhi, August 31, 2007.

As part of the Composite Dialogue between India and Pakistan, the delegations of the two countries met in New Delhi on 30-31 August 2007 for discussions on the Tulbul Navigation Project/Wullar Barrage. The Indian delegation was led by Mrs. Gauri Chatterji, Secretary, Ministry of Water Resources, Government of India and the Pakistan delegation was led by Mr. Muhammad Ismail Qureshi, Secretary, Ministry of Water and Power, Government of Pakistan.

2. The talks were held in a cordial and constructive atmosphere. The two sides further discussed their respective positions on the project and had a better appreciation of each other's views. They reaffirmed their commitment to the Indus Waters Treaty of 1960.
3. The two sides emphasized the need for an early and amicable resolution of the issue in accordance with the provisions of the Indus Waters Treaty of 1960 for the socio-economic development of the peoples of the two countries. The Secretaries agreed to hold discussions including at technical-level on mutually acceptable dates. Both sides looked forward to the next round of talks under the Composite Dialogue with a view to resolving the issue at an early date.
4. The Pakistan delegation also called on H.E. Prof. Saifuddin Soz, Minister for Water Resources, Government of India¹.



1. According to a report in the Chennai based paper *the Hindu* on September 5, "India and Pakistan have agreed to set up a technical-level mechanism to take forward their talks on the Tulbul Navigation Project in the Baramullah district of Jammu and Kashmir. This is the first time that the two sides have agreed on a mechanism. India says the project is a "navigation lock" on river Jhelum, while Pakistan maintains it is a "barrage." Mr. Qureshi, Leader of the Pakistani delegation who called on Water Resources Minister Saifuddin Soz, told media persons that the talks held as part of the Composite Dialogue were "cordial." Describing the talks as a "step in the forward direction," Mr Soz said India was not violating any aspect of the Indus Water Treaty with Pakistan. Navigation was permissible under the treaty. "No irrigation potential is being created and no dam or barrage is being built. The Pakistan team visited the Wullar lake area in March. On their request, India allowed it as a goodwill gesture. We are confident that the issue will be settled amicably," he said. The Tulbul Navigation Project was started by India in 1984 and was halted in 1986 after Pakistan raised objections."

296. Reaction of the External Affairs Minister Pranab Mukherjee to the bomb blasts in Rawalpindi.

New Delhi, September 4, 2007.

External Affairs Minister Pranab Mukherjee said on September 4: "It is very unfortunate¹. We have sympathy for the victims," He was speaking on the sidelines of a conference of Editors from India, Brazil and South Africa in New Delhi.

"During the Home Secretary-level meeting, we suggested to them and we have given some particulars as we normally give to them about those who are indulging in all sorts of activities like insurgency and other terrorist activity," said the Minister.

"We seek their cooperation."



1. The External Affairs Minister was referring to the two suicide bomb attacks on two localities in the high-security zone in the garrison city of Rawalpindi on September 4, killing 27 people and injuring more than 80 others. Most of the people killed or injured in the blasts belonged to defence services, four of them officers, though several civilian passers-by and schoolchildren were among the victims. Authorities described the two blasts as a coordinated move to hit high-profile targets in the military garrison. Military spokesman and Director-General of Inter-Services Public Relations Maj-Gen Waheed Arshad said the attacks were suicide bombings aimed at hitting personnel of the security forces and other people. Later, briefing journalists in Islamabad, interior ministry spokesman Brig (retd) Javed Iqbal Cheema said the authorities had reasons to believe that the latest attacks were the work of the same group that had earlier carried out the attacks in Islamabad and some other parts of the country.

297. Question in the Lok Sabha: "Statement on Kashmir Issue".

New Delhi, September 5, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether attention of the Government has been drawn towards the statement of Parliamentary Secretary for Defence of Pakistan in which he has spoken about solving the Kashmir issue through Jihad; and
- (b) if so, the details thereof and the reaction of the government thereto?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a)&(b) Government are aware of the press reports on a statement by Pakistan Parliamentary Secretary for Defence Major (Retd.) Sayed Tanvir Hussain in the National Assembly of Pakistan during a debate on Pakistan's Foreign Policy advocating jihad for the "freedom" of Kashmir. The Indian High Commission in Islamabad has protested to the Government of Pakistan at this gratuitous attack on India.



298. Question in the Lok Sabha: "Talks between India and Pakistan".

New Delhi, September 5, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether any talks were held between India and Pakistan on the various issues of bilateral relations including Kashmir during the last six months;
- (b) if so, the details and the outcome thereof;
- (c) whether any treaties and agreements were signed between the two countries;
- (d) if so, the details thereof;
- (e) whether the issues relating to confidence building measures were discussed in the recent past;

- (f) if so, the details and outcome thereof;
- (g) whether any specific offer has been made by some other countries in the recent past to mediate in the process negotiations between India and Pakistan; and
- (h) if so, the details thereof ?

The Minister of External Affairs (Shri Pranab Mukherjee):

(a)&(b) The Foreign Secretaries met in Islamabad on March 13-14, 2007 to initiate the fourth round of the Composite Dialogue and to review the third round. Other talks held within the framework of the Composite Dialogue during the last six months include: (i) The Defence Secretary level talks on Siachen on April 6-7, 2007 in Rawalpindi, (ii) Sir Creek talks on May 17-18, 2007 in Rawalpindi, (iii) Secretary (Culture) talks on June 28-29, 2007 in Islamabad, (iv) The Home Secretary-level talks on July 3-4, 2007 in New Delhi, (v) The Commerce Secretary talks on July 31-Aug 2, 2007 in New Delhi, (vi) The Secretary Water Resources-level talks on Tulbul Navigation Project on August 30-31, 2007 in New Delhi. The Foreign Secretaries discussed Peace & Security, including CBMs and Jammu & Kashmir. On CBMs the two sides agreed: (i) to expedite negotiations to conclude an Agreement on Prevention of Incidents at Sea, (ii) to fully observe the ceasefire on the IB, LOC and AGPL, (iii) to conclude and sign an Agreement on Modalities for the Conduct of Quarterly Flag meetings at Sectors to be agreed upon, (iv) conclude and sign a Framework Agreement on Speedy Return of Inadvertent Line Crossers, (v) to conclude an agreement on No Development of New Posts and Defence Works along the LOC and (vi) to propose drafts for new border control guidelines along the International Border. On the issue of Jammu and Kashmir, the two sides agreed (i) to ensure implementation of the already agreed Jammu and Kashmir related CBMs, (ii) to ensure operationalisation of Truck service, (iii) to ensure operationalisation/rationalisation of the five crossing points. To enhance People-to-People Contacts both sides agreed to conclude (i) Bilateral Visa Agreement, (ii) Agreement on Consular Access, (iii) to revise the Protocol on Visits to Religious Places and (iv) that the Judicial Committee on Prisoners would be composed of four judges from each side to ensure humane treatment and expeditious release of prisoners on both sides. On Nuclear CBMs, the two sides decided to hold discussions on security doctrines.

- (c) & (d) An Agreement on Reducing the Risk from Accidents Relating to Nuclear Weapons was signed on February 21, 2007 in New Delhi.
- (e) & (f) Yes. Details as at Paragraph (b) above.
- (g) All issues of mutual concern are being discussed bilaterally between India and Pakistan.
- (h) Does not arise.



299. Reported apprehensions of External Affairs Minister Pranab Mukherjee regarding use of arms supplied by the United States to Pakistan.

New Delhi, September 7, 2007.

India is apprehensive that U.S. weapons being supplied to Pakistan could be used against it in the event of a war.

Citing a study conducted by a Washington based think tank, External Affairs Minister Pranab Mukherjee said, "This assistance (in weapons) is often justified as playing a critical role in the war on terrorism, whereas, in reality, the weapons systems are often 'prestige items' to help Pakistan in the event of a war with India. "The study emphasises that few of these weapons are likely to provide much help in rooting out the Al-Qaeda or the Taliban."

Mr. Mukherjee said that of the \$10-billion assistance provided by the U.S. to Pakistan over the past five-plus years, roughly 18 per cent or \$1.8 billions had gone towards security assistance. This assistance was often justified as playing a critical role in the war with Pakistan but India did not subscribe to this view, he said.

"The Government of India's position in this regard is well known. We are against an arms race in the region. [The] government's concerns have been expressed to the U.S. and other nations. [The] government will take all necessary steps to safeguard India's security," said the Minister.

While expressing doubts over the efficacy of the U.S.-supplied defence platforms in the fight against terrorism, Mr. Mukherjee said the aid was tied to Islamabad's performance in the fight against terrorism.

The 'Implementing Recommendations of the 9/11 Commission Act of 2007' signed into law by U.S. President George Bush last month has prescribed limitations on security assistance to Pakistan for fiscal 2008.

Funds for the subsequent years will depend on Pakistan showing progress in "preventing Al-Qaeda and other terrorist organisations from operating in the territory of Pakistan, including eliminating terrorist camps or facilities, arresting members and leaders of terrorist organisations and countering recruitment efforts."



300. Extract from External Affairs Minister Pranab Mukherjee's interview on Charlie Rose show.

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Charlie Rose: Do you worry about the stability of the Pakistan government?

Pranab Mukherjee: For the individuals concerned, I cannot give any guarantee that a certain individual A or B will continue. But what we want, what my desire, I can tell you, my desire with respect to Pakistan, is that there be stability and prosperity in Pakistan. It's helpful to me for my own stability, for my own development for my own prosperity.

And insofar as the current problems are concerned, I hope in the whole subcontinent which was part of larger India before 60 years, it has its own way of self-correcting the crisis that it is (ph) to face. And Pakistan is no exception.

Therefore, if Pakistan finds its own way of correcting the present problem, I will not be surprised. It may be possible, because at one point of time, it appeared that the judiciary is in total confrontation position with -- but it is not so. Therefore, in relationships between different organs (ph), between different countries, sometimes it may appear that it's going to be insurmountable, but in course of time, it gets it corrected.



301. Joint Statement on 4th Round of India-Pakistan Expert Level Dialogue on Conventional Confidence Building Measures.

New Delhi, October 18, 2007.

The fourth round of India -Pakistan Expert Level Dialogue on Conventional Confidence Building Measures (CBMs) was held in New Delhi on October 18, 2007. The Indian delegation was led by Mr. T.C.A Raghavan, Joint Secretary, Ministry of External Affairs while Mr. Aizaz Ahmad Choudhary, Director General (SA), Ministry of Foreign Affairs, led the Pakistan delegation to the talks.

2. Discussions were held in a cordial and constructive atmosphere.
3. As mandated by the respective Foreign Secretaries, the two sides reviewed the implementation of the existing CBMs.
4. Consultations continued with the aim of strengthening the ongoing process of confidence building in the conventional field.
5. The two sides reiterated their commitment to uphold the ceasefire.
6. They also agreed to report the progress made in the present round of talks to the respective Foreign Secretaries.



302. Briefing points by Official Spokesperson on External Affairs Minister's telephonic conversation with Mrs. Benazir Bhutto.**New Delhi, October 19, 2007.**

- U EAM spoke to Mrs. Benazir Bhutto late this evening. He expressed his sorrow at the dastardly act and was thankful that she had escaped unhurt.
- U He also expressed condolences for those who had lost their lives¹.

**303. Briefing Points by Official Spokesperson on developments in Pakistan.****New Delhi, October 19, 2007.**

- U Prime Minister Dr. Manmohan Singh is sending a letter to President Musharraf expressing his deep concern on the dastardly act in Karachi. The Prime Minister, in his message, reiterates that such acts of violence and terrorism are totally unacceptable in any civilized society and are to be strongly condemned.
- U Prime Minister Dr. Manmohan Singh and External Affairs Minister Shri Pranab Mukherjee have conveyed their personal concerns and sympathies to Ms. Benazir Bhutto through the High Commissioner of India Shri Satyabrata Pal who spoke to Ms. Benazir Bhutto this afternoon. Prime Minister and External Affairs Minister also conveyed their deep sympathies and condolences to the families of those who lost their lives in the Karachi blast. Ms. Bhutto thanked the PM, EAM and Government and people of India for their concern and prayers.



1. The Government of India also conveyed a separate message to Benazir Bhutto through its High Commissioner which read: "We are horrified by the loss of innocent life caused by the terrorist attack on your convoy and the injuries to some of your senior colleagues. We are relieved that you yourself are unhurt. Terrorism is a common challenge to all of us in South Asia. We look forward to working with you to defeat terrorism in all its forms." On the same day the Spokesperson of the MEA also issued a short statement which said: "We strongly condemn the terrorist attack in Karachi yesterday. It is reprehensible that senior political figures are targeted in this way with such loss of innocent life. The spectre of terrorism confronting our region requires strong and determined action by all our Governments."

304. Joint Statement on India-Pakistan expert-level dialogue on Nuclear Confidence Building Measures (CBMs).

New Delhi, October 19, 2007.

The fifth round of India-Pakistan expert-level talks on nuclear and missiles related CBMs, begun in June 2004 as part of the Composite Dialogue process, was held in New Delhi on 19 October 2007. Shri K. C. Singh, Additional Secretary (International Organizations), Ministry of External Affairs led the Indian side while the Pakistan delegation was led by Mr. Khalid Aziz Babar, Additional Secretary (UN&EC), Ministry of Foreign Affairs. Discussions focused on a review of the implementation of existing agreements on CBMs and on disarmament and non-proliferation related issues of mutual interest in multilateral forums as provided for in the Lahore Memorandum of Understanding (MoU) of 1999. They were held in a cordial and constructive atmosphere. The two sides agreed to meet in Islamabad next to carry forward the dialogue and the process of confidence-building in the nuclear and missile area.



305. Joint Statement issued on the Second Meeting of India Pakistan Joint Anti Terrorism Mechanism.

New Delhi, October 22, 2007.

In pursuance of the decision of the President of Pakistan and the Prime Minister of India in Havana, Cuba on 16th September 2006, the second meeting of the Anti-Terrorism Mechanism was held in New Delhi on 22nd October 2007. The Indian delegation was headed by Mr. K.C. Singh, Additional Secretary (IO), Ministry of External Affairs of India. The Pakistan delegation was led by Mr. Khalid Aziz Babar, Additional Secretary (UN&EC), Ministry of Foreign Affairs of Pakistan.

2. The two sides reviewed the follow up steps taken on the information shared during the first meeting of the Joint Anti Terrorism Mechanism held in Islamabad on 6th March 2007 and in the intervening period.
3. Both sides shared new information on terrorist incidents including those which have occurred since the last meeting. They agreed to

continue to work to identify measures, exchange specific information and assist in investigations.

4. The next meeting of the Mechanism will be held in Islamabad according to the schedule already agreed upon¹.



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1. The Indian Express story on the meeting of the Joint Anti Terrorism Mechanism makes an interesting reading: "The Pakistani link to the recent terror strikes in Hyderabad, Ajmer and Ludhiana came to the fore on Monday as India sought Pakistan's help in tracking down suspects who are believed to have cross-border links. India is learnt to have referred to Harkat-ul-Jihadi-Islami (HuJI) and its commander Shahid Bilal, who is alleged to have masterminded nearly all the recent terror strikes in the country. The recent terror strikes figured in the second meeting of the Joint Anti-Terrorism Mechanism between India and Pakistan held here on Monday," a senior official said. The meeting also came days after the Ludhiana blast and amid Indian concern over attempts in Pakistan to build up a radical Sikh environment. Investigators feel the Mecca Masjid attack and the Ajmer blast were carried out by the same group - HuJI Bangladesh - due to similarities in the modus operandi. Both used a mobile phone trigger and unexploded devices were found after both strikes. According to security agencies, Bilal fled India after the attack on the STF headquarters in Hyderabad in 2005 and took refuge in Karachi. Bilal, who was drafted into militancy by Rasool Khan Party, developed a terror network in and around Hyderabad, initially using modules of Lashkar-e-Toiba and subsequently drawing in HuJI cadre who came in from Bangladesh. India also asked Pakistan about action taken on information it had shared on the Samjhauta Express attack, the Malegaon strike and the Mumbai blasts at the first meeting in Islamabad in March. No arrests have been made yet in the Hyderabad blasts (Mecca Masjid and the twin blasts), the Ajmer strike or the Ludhiana blast. On its part, Pakistan is learnt to have raised terror attacks in the country and sought India's assistance in working out some recent cases. The two sides reviewed follow-up action on information shared at the first meeting of the mechanism in Islamabad in March this year. At the first meeting, the two sides discussed the framework that needed to be put in place to share information related to terrorism. The second meeting was delayed after Pakistan sought time since its pointsman for the talks had retired. The feeling here, however, was that the delay had to do with the volatile internal situation in Pakistan." (The mechanism was set up following an agreement between Prime Minister Manmohan Singh and President Pervez Musharraf in Havana in September 2006.)

306. Response of Official Spokesperson to a question on the mandate of the Anti-Terrorism Mechanism.

New Delhi, October 30, 2007.

Information relating to all terrorist attacks was discussed and exchanged in the context of Pakistan's assurance of 6 January 2004 of not permitting territory in its control to be used to support terrorism in any form. The mandate of the Mechanism is helping investigations on either side related to terrorist acts and prevention of violence and terrorist acts in the two countries¹.



1. The Spokesperson was responding to the Pakistan Foreign Office Spokesman's denial of October 29 to the New Delhi daily *Indian Express* story of the same day on the meeting of India-Pakistan Anti-Terrorism Mechanism (held in New Delhi on October 22), which said that "for first time Pak accepts Indian dossier on terror in J&K". The Pakistani Spokesman described the *Indian Express* story as baseless and said: "The purview of talks under the Joint Anti Terrorism Mechanism does not cover Jammu and Kashmir , which is a disputed territory, and is being discussed under the Composite Dialogue process. The scope of discussions under the Mechanism relates to the terrorist incidents in India and Pakistan."

307. Statement by Official Spokesperson on developments in Pakistan.

New Delhi, November 3, 2007.

We regret the difficult times that Pakistan is passing through. We trust that conditions of normalcy will soon return permitting Pakistan's transition to stability and democracy to continue^U.



^U The Spokesman's statement came after the Prime Minister Manmohan Singh held an unscheduled meeting with External Affairs Minister Pranab Mukherjee in the evening of November 3 to take stock of the developments in Pakistan. It may be recalled that that day President Musharraf had declared a State of Emergency in Pakistan, suspended the Constitution and issued a Provisional Constitution Order. The Chief Justice of the Supreme Court was removed from his post and all other judges were asked to take a fresh oath of office. The emergency was justified on account of threat to the State from Islamic militancy. Talking to *The Hindu* after the meeting at the Prime Minister's residence, National Security Adviser M.K. Narayanan said: "We are treating it as an internal problem of Pakistan, but we are watchful and on the alert." The Congress party's media in charge Veerappa Moily said: "We have been anxious for democracy to emerge in Pakistan." BJP leader Yashwant Sinha said the situation was a much stronger case for international concern than Myanmar. On November 6 with developments in Pakistan unfolding at a fast pace, External Affairs Minister Pranab Mukherjee expressed the hope that the democratic process would soon begin in the neighbouring country, where Emergency was imposed last weekend. He said New Delhi wanted peace, prosperity and stability to prevail in Pakistan. "We are watching the situation closely," the External Minister told newsmen after inaugurating the first India-Africa Hydrocarbon Conference. "We do hope the process of democratisation in Pakistan to begin soon and the people of Pakistan will get an opportunity to have their government as per their Constitution."

On November 12 the Defence Minister A. K. Antony said in Kozhikode (Kerala) that "India is closely monitoring the situation in Pakistan and taking adequate security measures along the borders with that country." He told presspersons that the developments in Pakistan warranted taking several precautionary measures. "All steps have been taken to protect our borders as well as the Line of Control. As of now the situation is peaceful," he maintained. Barring occasional attempts of infiltration by Pakistan extremist forces, the border had not witnessed any exchange of fire in the last three years. India hoped that the peaceful atmosphere would continue, Mr. Antony said. The Union Minister termed the recent incidents in Pakistan as unfortunate. "We wish that normality would return and democracy restored in that country soon," he said. He said that India did not want to do anything that would disturb the existing bilateral relationship with Pakistan. The recent developments in that country were its internal matter, the Defence Minister said.

308. Press Release of the Ministry of External Affairs regarding protest lodged with the Pakistan Government on the break-in at the residence of Indian High Commissioner in Islamabad.

New Delhi, November 14, 2007.

The Residence of the High Commissioner of India in Islamabad was broken into on the night of 12th November 2007. A strong protest has been lodged with the Government of Pakistan in Islamabad and with the High Commission of Pakistan in New Delhi¹.



1. The break-in had occurred in the intervening night of November 12 and 13 when the High Commissioner was in residence. Since the residence was located in the high security area and was under the surveillance of the Pakistani security agencies, New Delhi suspected involvement of some state agencies and hence the protest. In New Delhi the Ministry had summoned the Deputy High Commissioner of Pakistan Afrasiab to South Block to lodge the protest.

309. Reaction of Official Spokesperson on Commonwealth's decision to suspend Pakistan from its membership.**Kampala (Uganda), November 23, 2007.**

We have noted the decision of the CMAG. Our hope remains that Pakistan will return to stability and democracy as soon as possible¹.



1. On November 23rd India joined other Commonwealth countries in endorsing the decision of the Commonwealth Ministerial Action Group consisting of Foreign Ministers among others of Lesotho, Sri Lanka, England, Canada, Tanzania to suspend Pakistan from the association, "pending the restoration of democracy and the rule of law" in that country. (India is not a member of the Group) The decision was taken the previous night. The CMAG decision was endorsed by the Heads of Delegation meeting in the first executive session, soon after Queen Elizabeth II addressed the formal Commonwealth Heads of Government Summit, 2007. Foreign Secretary Shivshankar Menon distanced himself from a suggestion that Pakistan was creating instability in the region. "We know Pakistani territory is used by groups which engage in all sorts of activities — terrorism, drug trafficking... There are groups in Pakistan which export various forms of instability... It is different than saying Pakistan is doing it." On November 20 while traveling from New Delhi to Singapore for the India-ASEAN Summit, the Prime Minister told the accompanying media that he sincerely hoped that Pakistan would find "pragmatic, practical and effective means" to overcome the "difficulties", through which the country is passing. "I have said on more than one occasion that destinies of our two countries are very closely interlinked. A strong, prosperous, stable, peaceful and democratic Pakistan is in our interest,"

310. T. V. Interview of National Security Advisor M. K. Narayanan with Karan Thapar for the CNN-IBN channel.

New Delhi, December 16, 2007.

[National Security Advisor M K Narayanan says new Pak army chief won't try "adventurist" action against India. How does the Government regard the situation in Pakistan and what might be the implications for India? Those are the issues that Karan Thapar raised with National Security Advisor M K Narayanan on *Devil's Advocate*.]

Karan Thapar: *Mr Narayanan, let me start with the obvious question. How do you view Pervez Musharraf today?*

M K Narayanan: I think as of now, he is an elected President but the legitimacy of his presidency will probably have to be declared only after the Pakistan Parliament approves of it with a two-third majority. As things stand right now, it does seem possible that he would be elected with that majority. If that happens and he is the legitimate President of Pakistan, I think we'll do business with him. We've done business with him in the past, and I think we will continue to do business with him.

Karan Thapar: *So, he remains in your eyes, a credible interlocutor for India?*

M K Narayanan: Yes, by and large, he remains a credible interlocutor for India to an extent because we will do business, as I said with, whoever has the stamp of approval in Pakistan.

Karan Thapar: *Now that he has retired as the Army Chief, how much of his power and influence has he lost with his uniform?*

M K Narayanan: That's a difficult question to answer because, first and foremost, if you accept that the army is the arbiter of destiny in Pakistan, whoever doffs his uniform necessarily loses a certain amount of his sheen. However, what he has now is the chief of army who is a close comrade of President Musharraf. The chief of army is well acknowledged to be a professional soldier and it is therefore likely that the relationship between the civilian President and the military chief would remain cordial.

How long—is a matter which could remain for all time, but let's look at the entire scenario: how does a civilian President play out in Pakistan where the army is the most dominant force? I think this is something that the

people really have to look at closely. Next, you're going to have possibly a new Prime Minister of Pakistan. Who that person is going to be is still in the realm of speculation. Therefore you're going to have three centres of authority or power — a civilian President, who was at one time the President and Army Chief, the current Army Chief and a civilian Prime Minister. Therefore, you have three elements now as against one single unified element in the past. Quite clearly this is going to make a difference to the way it matters our.....

Karan Thapar: *Are you also going to suggest that adjusting to a triumvirate, from a previous position where he was the omnipotent power of the country, might be a difficult transition for Musharraf?*

M K Narayanan: I should think so. I mean, all things considered and granting that he would still have all his previous strength, it is going to be difficult. Whoever is the civilian Prime Minister, is certainly not going to accept a position where he is truly a subordinate to the President in that sense of the term. I am told today, for instance, who heads the Nuclear Command Authority or National Command Authority? Musharraf has said that he will. Now, I would presume that it would be the head of the government because it was originally supposed to be the head of the government. But the question in this case is who the head of the government here is? Is it the civilian Prime Minister or the civilian President? I mean, these are the kind of ticklish issues which would need to be sorted out.

Karan Thapar: *In fact, these are the incipient clashes that are likely to happen post January.*

M K Narayanan: Yes, but I must say that there is a certain amount of grudging respect for the manner in which President Musharraf has managed to overcome some of his previous trouble. He has moved from being a military President to a civilian President. He has seen that there is no boycott of the election to the assembly.

Karan Thapar: *And so you think he can also manage these key incipient contradictions?*

M K Narayanan: I think, in the short term, it should be possible. If he manages to do that in the long term then, of course, he is really a very able person.

Karan Thapar: *If I correctly read what you said, in the long term his future or maybe his survival depends on that critical relation with the Army Chief.*

It is the loyalty of the new Army Chief to President Musharraf that will ensure President Musharraf's survival for the full five years of his term?

M K Narayanan: I think if the army remains united, and I am not referring to Army Chief alone. I think what President Musharraf achieved—in the years that he served as Army Chief and subsequently as Army Chief plus President—is that he has put all his loyalists in the key positions.

So if the army remains united, the army doesn't have fractious groups coming up within the system, and with a professional army chief in General Ashfaq Kayani, then the united army—which has a lot to continue to have by virtue of privileges and perks—may be willing to pay back to the civilian President.

Now, if you look around in West Asia, I don't wish to name the countries, there are other countries which have seen similar kinds of transitions. They have army men or air force person taking over as the President or whatever is the chief executing authority. They are still surviving and some have survived for nearly two decades. It is not an improbable situation. A lot depends on what the possibilities are.

Karan Thapar: *A lot depends on, as you said, the army staying united and not getting divided by fractions or factions. So do you see the army staying united in Pakistan?*

M K Narayanan: At the moment I don't see any signs of any cracks in the system. If you take the core commanders and various elements into consideration, they are all, in a sense, on the same wavelength. It may become different when ambitions start becoming important. You can speculate anyway, but at the moment, I am looking at it in a practical sense and from the point of view of an Indian National Security Advisor. Maybe strategic thinkers will excoriate me again like they did the last time for saying what I am saying. But as of now I don't see any major cracks in the system.

Karan Thapar: *Ambitions are in check. They may be there but they are in check?*

M K Narayanan: Yes.

Karan Thapar: *In that case, the other challenge that Musharraf faces is the strategy he launched to change the character of the Supreme Court to replace the old Chief Justice, and put in the place, pliant men of his own choice. Has he got away with that?*

M K Narayanan: I don't think he has got away with that. But the groups could not manage to rouse public sentiments against the issue. Finally they couldn't bring people out onto the streets. I think there is angst both in the civil society as well as amongst the judiciary, etc.

Now there will be simmering concern, I presume for those of us who believe in democracy—but President Musharraf is on record saying that they have their version of democracy. I think he is not the first man to say that. Others have also said it before him. So the point is, whether he has got away with that—I don't know. Some of these issues have a long gestation period, but as of now, I think, he seems to have papered over these problems.

Karan Thapar: *So simmering resentment there may be, even angst, but he has papered over the resentments for now?*

M K Narayanan: Looks like it, at least to the extent that I can see.

Karan Thapar: *Let's talk a little about the new Army Chief General Ashfaq Kayani. During 2002 and the stand-off between India and Pakistan in that year, he was the Director General of Military Operations of his country, and in that capacity he was in fairly regular contact with senior Indian officials. Does that mean that India has a fairly good idea of what sort of a man he is, or does he remain a stranger to you?*

M K Narayanan: No, I don't think he is a stranger. If I remember correctly, I wasn't around at that time, but I think he was the ADGMO at that time. I don't think he was the DGMO of Pakistan military.

Karan Thapar: *Forgive me, in 2002 he was, in fact, the full fledged DGMO.*

M K Narayanan: Oh yes, sorry my mistake. I think there have been contacts, but by nature the impression about him is that he is a professional soldier. He is not a man with great political ambitions.

Karan Thapar: *He is not a Napoleon?*

M K Narayanan: He is not a Napoleon. That is too much to say. I think the soldiers who know him, think of him as a professional soldier. They also think that he is a loyal individual and that is what makes people think that the relationship between the civilian President Musharraf and the Army Chief will be reasonably smooth, at least in the short term.

Karan Thapar: *From 2004 until very recently, General Kayani was also the Director General of the ISI. In that capacity, was he responsible for*

much of the terrorism that India has faced or do you subscribe to the view that under him Pakistan took meaningful and perhaps even credible steps to contain and curb terrorism?

M K Narayanan: Well, I don't think we have that much of intelligence. Even if we did, I don't think I should answer that question on candid camera but let me try and give you an answer which will meet half way.

I think the trouble with the ISI is that the leaders are sometimes persons who come in from outside. They don't remain there long enough to get a total grip over the organisation. Other professionals, who have their own ideas and mandates, remain within the organisation. I don't think the ISI changed under Kayani one way or the other. There was possibly, some kind of a tactical restraint, imposed from the outside—possibly by President Musharraf or by whatever the establishment was then.

But I think that applied only up to a certain point. In terms of the larger issues of mentoring Lashkar-e-Toiba and, to some extent, the Jaish-e-Mohammed etc, I don't think there was any fundamental change in the attitude.

Quite often, there are elements in the system that do things which are not fully and totally known to you. But the point I am trying to make here is that General Kayani was certainly not the Hamid Gul, if that would answer the question for those of us who know Hamid Gul.

Karan Thapar: *Hamid Gul being a hardliner, Hamid Gul being a man who is almost dedicated to pushing terrorism.*

M K Narayanan: ... and a great author of the belief —bleed India through a thousand cuts.

Karan Thapar: *Do you have serious qualms about Kayani or are you reasonably satisfied with Kayani as the new Army Chief?*

M K Narayanan: Well, it is not for us to decide. If the question is —will General Kayani indulge in an adventurist action against India—I think the answer would be no, because I think he is too professional a soldier to attempt it. I think it will be very foolish for anyone from any country today to try any adventurist action or hope that they catch India in what we will call a complacent mode at any moment.

Karan Thapar: *Mr Narayanan, in three weeks Pakistan will go to the polls*

and the major parties have announced that they will be participating. What sort of outcome are you anticipating?

M K Narayanan: You are asking me to cast the political horoscope of Pakistan three weeks down the road. Here I have to go by what is called the conventional wisdom. The conventional wisdom seems to say that no single party is going to get a majority. What of course is significant is that there is no major boycott. Almost all political parties have come in to participate. There are smaller parties who are not involved but the PPP is participating, the PML-N is participating and the PML-Q is participating. So by and large there is enough credibility as far as these elections are concerned. But the fact is that if the PML-Q and the PML-N are engaged in a conflict, then I think the beneficiary is certainly going to be the PPP. However, even with all of this, the PPP may not get a majority. It is something that I would say President Musharraf wouldn't like to happen.

Karan Thapar: *In recent weeks and months, Benazir Bhutto, in interviews that she has given, in articles that she has written, has repeatedly committed herself to ending all terrorist camps in Pakistan and to curbing all private militias. She has even talked about the possibility of extraditing Daewood Ibrahim, perhaps even giving India access to men like Hafiz Mohammad and Sayed Mahmood Azar. If she were to become the Prime Minister of Pakistan in January, would you welcome it?*

M K Narayanan: If she lives up to her promises, most certainly.

Karan Thapar: *What if she will?*

M K Narayanan: It is difficult to believe. One has to go by what she did in the nineties. One is always a little sceptical. It is possible, but her track record is not necessarily something which will make us believe that she would follow to the letter of what she has said—I think even if she wishes to do so. As I mentioned earlier, the single most important entity in Pakistan remains the army and along with that ISI. I find it extremely difficult to believe that the Prime Minister Benazir Bhutto, if she becomes that, will have a free hand in doing all the things that she wishes to do.

I know that in 1988 when she met with Prime Minister Rajiv Gandhi she made a number of promises. We know almost certainly that she was sort of curbed by the military at that point but whether she will have success now is difficult to believe and it would be very optimistic to expect that she can fulfil whatever she says but we hope that she will do her best.

Karan Thapar: *Now Musharraf, as you yourself indicated earlier, is hoping that the new assembly will not only ratify his election as President but more importantly indemnify the Emergency that he declared and the steps that he has taken under that Emergency. But if Benazir Bhutto and Nawaz Sharif as you have already named were to end up with 50 per cent or more of the seats in the national assembly, which very easily they could, could Musharraf be in danger?*

M K Narayanan: I think the Attorney General has just mentioned that before the Emergency is lifted they are going to put in place a whole series of measures.

Karan Thapar: *And won't those need to be indemnified by the new assembly?*

M K Narayanan: It is going to be ticklish issue but I think the point is that if there are measures to indemnify the President or President's actions, then overturning them, even by an assembly unless it an overwhelming majority, is going to be difficult. I think one should read real horoscope and not the political horoscope I am talking of because if they do legally put in some measures it is not going to be easy for even an elected parliament unless it has a four-fifth of a...

Karan Thapar: *Assuming President Musharraf does continues, he overcomes the obstacles that he is facing and establishes a good relationship with the Army Chief, are you confident that by some time around the middle of 2008 he can pick up on the peace process with India and take it forward?*

M K Narayanan: That's what we are hoping. I think there are things which are in the pipeline, or which are still cooking or half cooked or three quarter cooked which we would like to take forward. The point really is that it is not really taking it forward. Would he be able to convince the other power structures that have come up in addition to him that this is best thing for Pakistan? That is a question mark. But we are hopeful that if by that time he has overcome all the obstacles, he would have a degree of credibility and acceptance which would make it easier for him to do so.

Karan Thapar: *So in a word, he remains, despite all the problems associated, India's best bet at the moment?*

M K Narayanan: I think even in your previous interview you had mentioned this.

Mr Thapar, the point is that we will deal with whoever is in place in Pakistan because we are quite conscious. We cannot pick and choose whom we deal with. If the people of Pakistan— with whatever measure, or mechanism they have chosen to make him the President—we will deal with it. We have dealt with him in the past and that experience, as our Prime Minister has said, has not been something which we are uncomfortable with and so we will go forward with it.



311. Condolences from the Indian leaders on the assassination of Pakistani leader Benazir Bhutto.

December 27, 2007.

Message of President Mrs. Pratibha Devisingh Patil:

The President of India, Smt. Pratibha Devisingh Patil, has expressed her deep shock and grief on hearing the tragic news of assassination of Mrs. Benazir Bhutto. The President has further said, “it is a tragedy for the people of Pakistan to lose a leader of her stature in her prime. This tragedy underscores the menace that terrorism poses to us and to the stability of our societies. The assassination of Mrs. Benazir Bhutto is a tragedy not just for Pakistan but for our entire region. We stand with the people of Pakistan in this hour of grief and tragedy”.

Message of Prime Minister Dr. Manmohan Singh issued from Goa.

I was deeply shocked and horrified to hear of the heinous assassination of Mrs. Benazir Bhutto. Mrs. Bhutto was no ordinary political leader, but one who left a deep imprint on her time and age. Her contributions to a previous moment of hope in India Pakistan relations, and her intent to break India Pakistan relations out of the sterile patterns of the past, were exemplary. In her death, the sub continent has lost an outstanding leader who worked for democracy and reconciliation in her country. The manner of her going is a reminder of the common dangers that our region faces from cowardly acts of terrorism and of the need to eradicate this dangerous threat. My heartfelt condolences go to her family and the people of Pakistan who have suffered a grievous blow.

Sentiments expressed by Prime Minister in the Condolence Book of the Pakistan High Commission.

"It was with the deepest sense of horror and sorrow that I have learnt of the tragic demise of Madam Benazir Bhutto. In her sad and untimely demise, Pakistan and South Asia have lost an outstanding political leader, who was passionately committed to the cause of moderation, democracy and peace and friendship between our two countries".

"I convey my heartfelt condolences to the members of the bereaved family and the people of Pakistan".

Dr. Manmohan Singh

Prime Minister of India

28.12.2007

Message of External Affairs Minister Pranab Mukherjee.

I heard with shock and horror of the death of Mrs. Benazir Bhutto. Mrs. Bhutto was a brave and outstanding woman leader of the sub-continent. That she should fall to a barbarous terrorist attack is particularly tragic, and should strengthen our resolve to fight this scourge.

Mrs. Bhutto's contributions to democracy, to the improvement of India-Pakistan relations, and to the restoration of normalcy within Pakistan will be an inspiration.

My heart-felt condolences go to her immediate family, members of her party and the people of Pakistan. Our hopes and prayers are with them in this hour of loss.

All Party meeting condoled the death of Ms. Benazir Bhutto:

A resolution passed at an all-party meeting, convened to discuss the situation in the region in the wake of Ms. Benazir's killing, conveyed its heartfelt sympathies to the members of her family and the people of Pakistan. The leaders, who were briefed by National Security Adviser M.K. Narayanan, described Benazir as an outstanding leader of South Asia and the voice of moderation and democracy in Pakistan.

The all-party meet was attended by External Affairs Minister Pranab Mukherjee, Defence Minister A.K. Antony, Home Minister Shivraj Patil and Mr. Narayanan. The Bharatiya Janata Party was represented by the Leader of the Opposition in the Lok Sabha, L.K. Advani, and the former External Affairs Minister, Jaswant Singh, Sitaram Yechury (Communist Party of India - Marxist), A.B. Bardhan (Communist Party of India), Raghuvansh Prasad Singh (Rashtriya Janata Dal), Shahid Siddiqui (Samajwadi Party), Satish Mishra (Bahujan Samaj Party), Sharad Yadav (Janata Dal- United) and T.R. Baalu (DMK).

[Just before the all-party meeting, Prime Minister Manmohan Singh chaired a meeting of the Cabinet Committee on Security that reviewed the situation in the region and domestically, and discussed the steps by India to deal with the situation.]

The Prime Minister who was in Goa when the ghastly act took place speaking in that city to the media reiterated his deep shock and horror at the assassination of the former Pakistan Prime Minister, Benazir Bhutto and described her as “one of the outstanding leaders of our sub-continent, who always looked for reconciliation between India and Pakistan.” He said: “Ms. Bhutto always expressed her feelings that relations between the two countries should be warm.”

Lamenting that “in her loss we have lost an outstanding personality and an outstanding champion of democracy,” Dr. Singh said she left a “deep impression on our time and the age she lived through. She always wanted South Asia to become a prosperous region in the world.” Dr. Singh underlined the need for a joint fight against terror, which lurked as a threat to the prosperity of the region. Extending his condolences to her family and to Pakistan, he said: “We all have to pledge to work together to deal with this menace which threatens the people of the civilised world.”

The Congress Working Committee (CWC) on December 28 said the assassination of the former Pakistan Prime Minister, Benazir Bhutto, was “yet another reminder of the grave challenge posed by the forces of terror and violence.”

Congress president Sonia Gandhi, who chaired the specially convened CWC, expressed the party’s shock and grief at the assassination. “Her death is equally a loss for the entire region of South Asia,” she said. She later visited the Pakistan High Commission and signed the book of condolence.

“Knowing fully well the risk involved in the task of restoring the democratic process in Pakistan, she did not hesitate to risk her life in pursuing this objective with courage, commitment and dedication. Her supreme sacrifice to the cause of democracy in Pakistan will continue to be a source of inspiration to those who have firm faith in the spirit of democracy.” Ms. Gandhi said the loss of such a popular and charismatic leader, especially at this critical juncture, was a colossal tragedy for the people of Pakistan. “The reprehensible and cowardly act, which has brutally cut short a life full of promise and potential, deserves to be strongly condemned by civilised society.”

“The CWC deeply mourns her untimely death and conveys its heartfelt condolences to the members of her bereaved family, the Pakistan People’s Party and the People of Pakistan in their moment of grief.”

Other Political parties across the spectrum too reacted almost in one voice of shock and dismay and concern about the political process in Pakistan as news about the assassination of former Pakistan Prime Minister and Pakistan People’s Party leader Benazir Bhutto reached New Delhi on December 27.

The Polit Bureau of the Communist Party of India (Marxist) said there were “forces [in Pakistan] which are seeking to destabilise Pakistan and not allowing the transition to democracy to succeed ... These forces must be thwarted.”

The Bharatiya Janata Party condemned the assassination and expressed concern not only about how the incident would affect Pakistan but also India in its immediate neighbourhood.

Former Prime Minister Atal Bihari Vajpayee described the killing as “big challenge for democracy and peace” and added that the challenge was not only for Pakistan: “We have to fight it out together.”

Leader of Opposition L. K. Advani said “the Talibanisation of Pakistan” was a threat to India.

“Indian democracy abhors the cult of violence. This is negation of democracy itself. She was a charismatic leader whose unrealised potential has been cruelly cut short,” said All India Congress Committee spokesperson Abhishek Singhvi.

He said instability and violence could not be good for Pakistan, as indeed for the subcontinent.

“We hope and trust that the appropriate agencies of Pakistan will get to the root of this most unfortunate incident,” he said.

Conveying its heartfelt condolences to Ms. Bhutto’s family and to the people of Pakistan, the CPI (M) expressed its “shock and outrage” at the “dastardly assassination” while CPI national secretary D. Raja feared that the assassination would complicate matters in Pakistan where elections were due to be held. He said there were clearly forces which did not want any form of democracy in Pakistan.

BJP president Rajnath Singh expressed his sympathy and offered condolences to Ms. Bhutto’s family, especially mentioning her children, while former External Affairs Minister Jaswant Singh spoke admiringly of Ms. Bhutto’s courage and determination to participate in the democratic process although she was aware of grave threat to her life. “She had come back to participate in the democratic process in Pakistan despite resistance from the establishment,” he noted. Mr. Rajnath Singh was worried about the impact of instability in Pakistan on India.

In a statement, Lok Sabha Speaker Somnath Chatterjee expressed “profound” shock over the assassination. He hoped that the sub-continent would be rid off such attacks on democratic processes, and the people of Pakistan would reject such methods of terror and strengthen democracy.



SRI LANKA

312. Question in the Lok Sabha on the visit of External Affairs Minister Pranab Mukherjee to Sri Lanka.

New Delhi, 14 March 2007.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether the External Affairs Minister had visited Sri Lanka recently to hold talks on the progress of the peace process in Sri Lanka; (b) if so, the details of the discussions held and the outcome thereof; and (c) the extent to which the talks are likely to be useful in strengthening the peace process in Sri Lanka?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) Minister of External Affairs visited Sri Lanka on January 9-10, 2007 to extend an invitation from our Prime Minister to Sri Lankan President Mahinda Rajapakse for the 14th SAARC Summit to be held in New Delhi in April 2007. During meetings with the Sri Lankan leadership, bilateral relations, the peace process in Sri Lanka and SAARC issues were discussed.
- (b) & (c) Both sides reiterated the high priority that they attach to expansion of bilateral cooperation in all spheres. While reaffirming India's commitment to the unity, sovereignty and territorial integrity of Sri Lanka, Government of India have emphasised to the Government of Sri Lanka that the only solution to the ethnic problem is a negotiated, political settlement that is acceptable to all communities in Sri Lanka and stressed the need to make all possible efforts to revive the political dialogue in order to move the peace process forward.



313. Report on the Indian reaction to the LTTE air attack on Sri Lanka's air force base in Colombo.**New Delhi, March 28, 2007.**

In the wake of the Tamil Tigers using air power for the first time in Sri Lanka, India voiced serious concern over the escalation of violence there and said it would encourage Sri Lankans to find a political solution to the "tragic" conflict themselves.

Foreign Secretary Shivshankar Menon said that New Delhi would be talking to all concerned in Sri Lanka over the next week or so in this regard.

"We are very concerned at the escalation of violence recently and LTTE air strike is one example in this escalation of violence," he said, referring to the Tigers using aircraft to bomb an airbase near Colombo on March 26.

Menon said Indian government remained engaged with everyone in Sri Lanka, including the government, to see what it can do for resolution of the problem there.

New Delhi also wants to see what it can do to ameliorate the condition of Sri Lankans caused by the conflict. "The main issue is to get a solution to the conflict. Picking an individual incident of violence does not help us to address the root cause of problem. The root cause of problem is the conflict, which is escalating," Menon said.

The escalation of violence has had humanitarian consequences, like internal displacement of over one lakh people, he said, adding, this was a worrying development.

"We join our voice with all those in Sri Lanka and abroad who hope violence comes to an end soon," he said, noting that Colombo would be raising the issue of escalation of violence at the SAARC Summit to be held here on April 3-4.



314. Extracts from the Press Conference of Foreign Secretary on Sri Lanka held to brief the media on the SAARC Summit.

New Delhi, March 28, 2007.

QUESTION: You talked about terrorism being one of the agenda items in the SAARC Summit. In the light of recent developments in Sri Lanka this week, how have we reacted to the development of air power by LTTE¹? What does it mean for other terrorist groups in the subcontinent?

FOREIGN SECRETARY: I think we are very concerned at the escalation of violence in Sri Lanka in the last few weeks. The incident you mentioned is one of a part of a pattern of escalating violence we have seen. The humanitarian consequences of that really worry us, when we see internally displaced people, over 100,000 of them. We would join our voice with that of all those in Sri Lanka and abroad. We would hope that the violence will come to an end soon and that they can find a solution to this conflict which enables all the communities of Sri Lanka to live together in peace. I think that is really the main thing, to get a solution to the conflict. To pick on individual incidents of violence, I do not think helps to solve the root cause of the problem. The cause of the problem is the conflict which has escalated terribly in the last few weeks and that does cause us great concern.

QUESTION: *According to the news emanating from Sri Lanka the radar provided by India to Sri Lanka recently failed to perform.² Are the*

1. The reference was to the first ever use of aerial bombing operation by the LTTE on March 26 in which it targeted the main military base of the Sri Lankan Air Force on the outskirts of Colombo killing three air force personnel and injuring 16 others. The LTTE aircraft was able to sneak all the way from the jungles of Wani in the North right into the middle of airport and return without being challenged. The aircraft would have flown at least 600 km to and from the base and would have been in the air for nearly two hours. Though India had not reacted officially to the incident, media quoted official sources to suggest Indian concern in the matter. The sources said that attack showed that the Tigers had the ability to take their military prowess to a new level. It displayed a capability the LTTE so far did not possess, the official sources in New Delhi maintained.
2. The reference was to Colombo media reports quoting unnamed official sources to suggest that the radar provided by India failed to perform at the crucial moment and hence the success of the LTTE. The reports suggested that though Colombo was keen on a Chinese radar and was reportedly negotiating one with Beijing, India insisted on providing one in preference to the Chinese. However on April 1 when asked by a journalist about the veracity of the report Island's Foreign Minister after meeting with the Indian External Affairs Minister in New Delhi described the reports "speculative". Mr. Bogollagama said Sri Lanka President Mahinda Rajapaksa had appointed a commission of inquiry to probe the attack and he would wait for its results. The attack was a sign of desperation on the part of the LTTE. However, the incident could not be taken "lying down" and Colombo had decided to strengthen its air defence capabilities.

Government of India aware of this? What is GOI reaction to such news?

Foreign Secretary: *As far as we are concerned there is no question of its failing.*

QUESTION: Another terrorism question. After the LTTE air strikes, have you spoken to Sri Lanka? Have you expressed concern and assured any kind of help? Also with Bangladesh, India has concerns vis-à-vis terrorism and insurgent camps in Bangladesh? Has Bangladesh said anything to us ever since this new caretaker government has taken over looking at our concerns on terrorism?

FOREIGN SECRETARY: With Sri Lanka, as I said, we have made it clear to everyone concerned. As I just said to the earlier question, we are very concerned at the escalation of violence. The air strike is one example of that escalation of violence in the Sri Lankan conflict. Certainly, we will remain engaged with everyone, Sri Lankan government and everyone, to see what we can do not just to ameliorate the conditions that have been created by this and the humanitarian effects of this escalation of violence, but also to see what we can do to help towards a solution of this issue, to encourage the Sri Lankans themselves to find a solution to this issue.

On Bangladesh, this is an ongoing conversation. We will have an opportunity in our bilateral discussions this time to discuss the entire range of our relationship with Bangladesh. Obviously, this is one of the issues which is very important. There are other issues also which we look forward to discussing with the government in Bangladesh.

QUESTION: Do you think the time has come for India to play a more direct role in Sri Lanka's negotiations?

FOREIGN SECRETARY: I think we hope to use our conversations over the next week or so, as I said earlier, to encourage the Sri Lankans themselves to find solutions to this tragic conflict³.



3. Sri Lanka has been keen to seek Indian cooperation in the coordinated patrolling of the Palk Strait. On April 1 after talking to External Affairs Minister Pranab Mukherjee, Sri Lanka Foreign Minister Rohitha Bogollagama said that New Delhi was receptive to the idea. Talking to *The Hindu*, he, however, said it was up to India to articulate its position on Colombo's proposal presented to it on March 19. According to Mr. Bogollagama, his 40-minute meeting with Mr. Mukherjee went off well and the Indian side was positive on the issues raised by him. There were "no major hiccups," he said. Calling for greater

vigilance by the Indian and Sri Lankan navies to prevent the LTTE from ferrying arms, he said Colombo wanted a strong statement from the SAARC summit on terrorism. "Our responsibility is to meet the [terrorist] challenge by making united efforts," he told the Chennai based *Hindu* in an interview. On the recent killing of Tamil Nadu fishermen, he said it was established that these persons were in Indian waters, but pointed to Indian Navy Chief Sureesh Mehta's statement that he could not rule out the LTTE's involvement. "None of our boats were there [in the area]," he added. (Later on the Tamilnadu Police confirmed that the attack on the Indian fishermen was by the LTTE)

Later meeting Sri Lanka Foreign Minister on the sidelines of the Asian Security Conference in Singapore on June 2 the Defence Minister A. K. Antony told his counterpart that the "rise of the Liberation Tigers of Tamil Eelam (LTTE) air power in Sri Lanka is of concern to India also." Emphasising this, he said that India "will give Sri Lanka reasonable support for that." Commenting on his talks with Sri Lankan Foreign Minister Rohitha Bogollagama, Mr. Antony said he had conveyed India's willingness to extend "whatever possible help." He said the message to Sri Lanka was that "we are with you" on the issues of sovereignty, territorial integrity, and unity of the island-state. At the same time, India expressed its preference for a "political solution" in Sri Lanka. On Colombo's proposal for coordinated patrolling by the navies of the two countries along the maritime boundary in the Palk Straits, Antony said it was put across to Sri Lanka that India "will examine that." [Outlining Colombo's version of this conversation, Mr. Bogollagama noted, "Mr. Antony said they are examining it favourably."] So, it was inferred that an "agreement" had now been reached. That could be seen as something "towards" or "leading to coordinated patrolling." Mr. Antony had already affirmed that he had given "no commitment" to accept the proposal of coordinated patrolling. At the conference, Mr. Bogollagama spoke about the threat to regional maritime security from the Sea Tigers.

315. Extract relevant to Sri Lanka from the Press Conference addressed by External Affairs Minister Pranab Mukherjee at the end of the SAARC Summit.

New Delhi, April 4, 2007.

QUESTION: Mr. Minister, I would just like to ask you, much has been spoken of terrorism and peace, what is the threat perception from LTTE for India at the moment and what steps have been taken post the Katunayake Air Base attack?

EXTERNAL AFFAIRS MINISTER: In fact, we have already assured the Sri Lankan Government our full assistance¹ if they ask for it. But, as we believe, to resolve the problem we must also engage in the peace process which was initiated, as military solution ultimately would not yield results. Therefore, we have suggested that both sides should exercise restraint. The devolution mechanism which is contemplated and from which all-party representative Committee have made recommendations should be examined and be implemented within a time frame so that the legitimate aspirations of various ethnic groups find their reflection within the framework of Sri Lankan constitution while maintaining its territorial integrity.

QUESTION: What is the threat perception to India from LTTE at the moment? What is our assessment of that?

EXTERNAL AFFAIRS MINISTER: Look, threat perception of a country depends on various circumstances. Generally, I can point out that terrorism and terrorist activities are the biggest menace to world peace and tranquility, not merely to India but all over the world. But, apart from that, we shall have to ensure that peaceful, conducive atmosphere prevails and as far as possible, shall have to try to resolve these issues through dialogue, at the same time without letting (go of) administrative efforts.



1. Media quoting sources in the Defence Ministry in New Delhi said on August 6 that during the last one year India has sent some more radars to Sri Lanka to help it ward off the threat of airborne attacks by the Liberation Tigers of Tamil Eelam (LTTE). India had resumed non-lethal military aid to Sri Lanka with the supply of two indigenous radars in 2005. This year in January it sent another military radar to Sri Lanka which was followed by the despatch of a similar radar in June. The radars were sent on behalf of the Indian Air Force, the sources said. India first broke off its self-imposed embargo of nearly five

years when it sent two Indra-II radars on the eve of Sri Lanka President Mahinda Rajapakse's first visit in 2005. The radars, developed by the Defence Research & Development Organisation (DRDO), could detect low-flying fighter aircraft. They were produced by the public sector Bharat Electronics Limited (BEL). Media quoted Diplomatic sources to say India's supply of radars, said to be in the non-lethal category, in no way compromised its desire for a political solution to the Tamil issue. The first lot of radars were sent after Sri Lanka told the then External Affairs Minister Natwar Singh about its requirement and the willingness of other countries to supply them. In March this year, LTTE aircraft had targeted a Sri Lanka Air Force (SLAF) base near Colombo leading to speculation that the radars supplied by India were defective. However, Sri Lanka later said the reports were wrong.

316. Extract from the Interaction of Prime Minister Dr. Manmohan Singh with the media on board the flight from Berlin to New Delhi.

June 9, 2007.

“I have been sharing my anxieties about the situation with important world leaders. Let me say that the recent act to expel¹, I think, citizens belonging to a particular minority in Colombo has pained me. I hope, I think, Better sense will prevail among all concerned. These are not civilized ways of dealing with them. I understand the difficulties concerned but the human rights of citizens should not be violated. But at the same time, I am told that it has been stayed by their Supreme court. I share the concern.”

1. The Prime Minister was referring to the order issued by the Sri Lankan government expelling from Colombo any Tamil staying in Colombo without any valid reason.

317. Remarks of External Affairs Minister Pranab Mukherjee on India - Sri Lanka Relations.

Singapore, June 18, 2007.

Voicing concern over the recent upsurge in violence in Sri Lanka, India opposed any support being given to LTTE and asked the government of the island nation to resolve the ethnic problem through dialogue.

“We are opposed to violence, no support should be given to LTTE and we are opposed to helping any terrorist outfit anywhere,” External Affairs Minister Pranab Mukherjee said at a question-answer session following his public lecture on India’s foreign policy priorities in Singapore.

He said Sri Lanka should maintain its territorial integrity and try and resolve the ethnic Tamil issue through dialogue.

“The recent developments in Sri Lanka, the violence, have been a cause of concern to all,” he said adding, the attacks by an outlawed terrorist outfit are a matter of grave concern to all those who want to fight terrorism.

When asked why Sri Lankans needed a visa to visit India while Indians could enter Sri Lanka without one, Mukherjee said the Indian government was trying to liberalise visa rules but had to be careful at the same time.

“We are trying to give it as quickly as possible,” he said adding, in some categories the visa was processed very fast.



318. Response of Official Spokesperson to a question on the Sri Lankan announcement of the formation of India- Sri Lanka High Level Committee on Defence.

New Delhi, September 8, 2007.

Question: There is a story that Government has said that Indo-Sri Lanka High-Level Committee on Defence has been formed.

Official Spokesperson: I have just seen this story. I do not have a specific comment yet on the story. But as far as I understand the visit that this story is referring to was part of the regular exchange of visits that takes place very often between India and Sri Lanka given our close neighbourly relations.

Question: Could you confirm that any such Committee has been formed?

Official Spokesperson: I said I do not have a direct comment on that story except the fact that the visit, as I understand, was part of the regular exchange of visits that takes place¹.



1. Meanwhile Sri Lanka clarified on 9th September that the announcement it made on 6th September on the constitution of an 'Indo-Lanka High Level Committee on Defence' was the result of 'incorrect interpretation' of information about the recent visit of an official delegation to New Delhi. A statement by the Sri Lankan President's Secretariat, quoting diplomatic sources, made the claim on 6th. In the statement, the Presidential Secretariat said the three-member delegation from Sri Lanka comprising Secretary to President Lalith Weeratunga, Defence Secretary Gothabhaya Rajapaksa and Basil Rajapaksa, Senior Adviser to President, visited India for high-level discussions as part of a regular exchange. It said their discussions covered many aspects of relations, including cooperation in combating terrorism and the search for a solution to the conflict in Sri Lanka through devolution of power. "The PRIU (Policy Research and Information Unit) is informed that there was no decision among those who participated in these discussions to establish an Indo-Lanka High Level Committee on defence as stated in our report, which was based on an incorrect interpretation of information on this matter. The PRIU regrets this error and apologises to the members of the Sri Lanka delegation and the Indian officials they had discussions with, and to the media, in this regard," the statement said.

319. Lakshman Kadirgamar Memorial Lecture delivered by Finance Minister P. Chidambaram at the Institute of International and Strategic Studies on the subject of “Growth Prospects in South Asia - Challenges and Opportunities”.

Colombo, November 11, 2007.

Please see Document No. 208



320. Remarks of the National Security Advisor M. K. Narayanan about the activities of the Liberation Tigers of Tamil Eelam (LTTE).

Chennai, December 17, 2007.

The National Security Advisor M. K. Narayanan addressing a Press Conference in Chennai on December 17 (after his meeting with the Tamil Nadu Chief Minister M. Karunanidhi) said that the Centre was “careful” about the movements of the Liberation Tigers of Tamil Eelam not only in Tamil Nadu but also elsewhere in the country.

He ruled out joint patrolling with the Sri Lankan Navy in the Indian Ocean. There was only coordinated patrolling, with India and Sri Lanka doing patrolling in their respective areas¹.



1. Meanwhile media reported that a middle level official delegation from India visited Colombo in the third week of December for three-day talks on defence cooperation with Sri Lanka. Quoting knowledgeable sources the Chennai based daily *the Hindu* said on December 17 that the delegation composed of a Joint Secretary each from the Ministries of External Affairs and Defence would review the gamut of the cooperation, including the air defence system. The report said the effectiveness of the air defence system of the island nation had been a matter of focus after the LTTE demonstrated air capabilities through its nascent air wing for the first time in March and carried out three other attacks during the year. The air defence system was strengthened with the help of India after the March attack. Separately, the Sri Lankan military claimed that LTTE ‘losses continued to soar’ during the past few days, following tactical military pursuit at LTTE bunker lines and offensive positions by the security forces.

**IV (ii) SOUTH EAST AND EAST ASIA
AND PACIFIC**

321. Keynote Address by External Affairs Minister Pranab Mukherjee at the 9th Asian Security Conference on 'Security Dynamics in Southeast Asia: Emerging Threats & Responses' organised by Institute of Defence Studies and Analysis.

New Delhi, February 9, 2007.

I am honoured to address the Inaugural Session of the 9th Asian Security Conference. I see that you have an exhaustive agenda. I am sure your discussions over today and tomorrow would be fruitful and would advance understanding and the search for cooperative solutions to Asian security dilemmas.

It is befitting that sixty years since the Asian Relations Conference was held in this city, this Conference with the theme of Southeast Asia is taking place in New Delhi. Southeast Asia is the starting point of India's Look East policy. This policy conceived in and pursued since the early 1990s was prompted by significant changes in the global politico-economic scenario and by initiation of economic reforms and liberalization in India. ASEAN's economic, political and strategic importance in the Asia-Pacific region and its potential to become a major partner of India in trade and investment were significant elements in our approach. Over time, this policy gradually evolved to include the Far Eastern and Pacific regions. It also facilitated enhanced links with China, Japan, Republic of Korea, Australia, New Zealand, Fiji, Papua New Guinea and Pacific Island States.

Today Southeast Asia and India are partners in harnessing our respective economic, technical and professional strengths. ASEAN countries and India also have a convergence in security perspectives, a common interest in peace and stability in the region and in the maintenance of security of sea lanes of communication. We now have regular, annual dialogue at my level and at the Summit level. These political level interactions are further enriched by meetings of Senior Officials as also specialized working groups in functional areas, science and technology, health, trade and investment and transport and infrastructure. The signing of the 'India-ASEAN Partnership for Peace, Progress and Shared Prosperity' at the 3rd India-ASEAN Summit in Vientiane in November 2004 was a key development in our relations. The 5th Summit in Cebu last month has given further momentum to India-ASEAN ties.

The resurgence of Asia in political and economic terms has been

accompanied by the rise of powerful economic forces unleashed by globalization and the trend towards regional economic integration. The engagement in the political and security arena has either followed or led to progressive economic integration in terms of Free Trade Agreements and Comprehensive Economic Cooperation Agreements that have either been concluded or are being negotiated with countries of the region. Since 1990, when our Look East Policy was initiated, our trade with countries of the region has grown from US \$ 8.1 billion to US \$ 67.5 billion and the share of trade with these countries in our global trade has increased from 19.4% to 28.2%.

Following the agreement reached at the Cebu Summit, we hope soon to conclude negotiations on a bilateral Free Trade Agreement with ASEAN. Our vision, as articulated by Prime Minister during the India-ASEAN Business Summit in New Delhi on October 19, 2004, is that of an 'Asian Economic Community', which would be the driver of growth and economic integration in the entire region.

The usage of the term East Asia has over time expanded from its narrow confines of North East Asia to encompass the entire region from India to Japan. The First East Asia Summit (EAS) held in Kuala Lumpur in December 2005 was a historic event that underlined this evolution. Speaking at the Summit, Prime Minister Dr. Manmohan Singh said that the long term goal of the EAS should be the creation of a harmonious and prosperous community of nations that would pool its resources to tackle common challenges. He also observed that a virtual Asian Economic Community was emerging with the Free Trade Agreements (FTAs) amongst countries of the region. However, there is a need for a wider perspective so that ongoing processes could become building blocks for a larger vision. It was in this context that we have suggested a Pan-Asian Free Trade Arrangement that could be the starting point for an Economic Community. Such a community would be the third pole of the world economy after the European Union and the North American Free Trade Area (NAFTA).

The theme of this conference 'security', cannot be looked at in isolation from these broader political and economic developments. Even in a narrower sense, a significant aspect of 'our Look East' policy has been the growing cooperation and dialogue on security issues both bilaterally with ASEAN countries as well as through multilateral institutions like the ASEAN Regional Forum (ARF), which also brings in significant non-ASEAN players in the Asian region. Our focus, including in our bilateral dialogues and cooperative activities with neighboring states in Southeast Asia and East Asia, has

been on issues like border security, maritime security, counter terrorism and energy security. I am delighted to note that your agenda broadly reflects the priorities we have chalked in our dialogue with countries of the region.

Asia's security environment is unique given its geographical expanse and the political, economic and cultural diversity of the region. Our view has been that in Asia, a pluralistic security order based on a cooperative approach to security is the answer. For one, such a polycentric security order would be accommodative of the diversity of the region. It would also be a reflection of the growing strength and confidence, manifested either individually or through organisations such as ASEAN, of the various economic and security players in the region. In today's increasingly interconnected world, each participant has an equal stake and responsibility. Only a pluralistic security order working through a network of cooperative structures can have the legitimacy as well as the wherewithal to deal with the security challenges of the 21st century. This vision has guided our approach to Asian security right from the Asian Relations Conference of 1946 to the recent initiatives including the 'Look East' policy.

Our participation in the ASEAN Regional Forum (ARF), which we value, flows from this vision, the 'look-East' policy and closer links with ASEAN as a full-dialogue partner. We consider ASEAN as the driving force of the ARF and believe that the ASEAN way of 'dialogue and consensus' should remain the ARF's guiding principle. Participation in the ARF also enables us to engage with a broader range of countries beyond the ASEAN underlining India's commitment and goal in ensuring regional peace and stability. It also underscores our belief that from India's perspective cooperative security can be looked at only in a broader context going beyond Cold War notions of sub-regions. I am happy to note that there is a greater recognition today of India's stabilising role in the region born out of our restraint, our economic dynamism and potential, the history of our civilisational engagement and our role as a firewall against destabilising ideas and influences. Encouraged by this we will continue to seek in our interaction with countries of the region greater political and economic convergence, closer people to people links through cultural cooperation and educational exchanges and meaningful security cooperation to meet common challenges.

May I conclude by wishing you success in your deliberations.

Thank you.



322. Speech by the Minister of External Affairs Pranab Mukherjee at Seminar on 'Look East' Policy.

Shillong, 16 June, 2007.

It gives me great pleasure to be here in Shillong. Meghalaya - the abode of the clouds - has always been a source-of inspiration to writers, poets, musicians and artists and I am confident it will also inspire us in our discussions today.

To me, the theme of this seminar - "geography as opportunity" -can as easily be - "geography is opportunity". There are enormous changes taking place on the domestic and external fronts, including the advent of globalization, regional economic cooperation, and new policy approaches for development. In these circumstances, all regions of India have the enormous potential to exploit their particular geographical contexts, and bring significant benefits to populations residing in those regions in a much more direct and participative manner than before. In days past, deliberations on a plan of action to address these opportunities would have been carried out through closed conferences and meetings, mostly in New Delhi. However, in order to create a greater sense of awareness and participation, I asked the Public Diplomacy Division of the Ministry of External Affairs to initiate a series of interactive conferences and meetings that would receive inputs from the regions concerned. Recognizing the pre-eminent role of our North-Eastern states in the economic and political development of India, I decided to launch the initiative from this beautiful city.

Today's event, the first of its kind, is informed by the thinking that the North-East, in particular, is one region into whose progress and development we can dovetail India's "Look East" policy. I am happy that in collaboration with ICRIER, and the Omeo Kumar Das Institute of Social Change and Development, a conference will soon be held in this region on the challenges that regional and sub-regional cooperation could pose and how to address them.

Before I go further, let me make a point about the newly created Public Diplomacy Division in the Ministry of External Affairs. Some of you have already met with representatives of this Division for a preliminary round of discussions and might be wondering what public diplomacy is. Most of us are familiar with *traditional* diplomacy where governments negotiate with governments. Globalization, however, demands a paradigm shift in the manner in which we conduct our foreign policy. The information and

communication technology revolutions have virtually shrunk the globe. Geography is no longer a buffer. Events taking place across borders, near and far, impact in a much more direct manner on us. In some cases, such developments affect our bilateral and regional relations; in other cases, they affect our economic and social fabric. To develop a robust foreign policy response, we have strongly felt the need to institute a mechanism through which the public- by which I mean civil society, NGOs, academia, business and industry, and the media - is constantly apprised of the implications of a particular foreign policy initiative and, more importantly, of the strategic rationale behind it. This is the remit of the Public Diplomacy Division. It is our hope that at the same time as it informs the public of the broader rationale behind foreign policy, it will also be able to glean from such interactions the much required inputs on public perceptions of a foreign policy decision or initiative.

More than half a century ago, Pandit Jawaharlal Nehru visualized India as being the pivot around which issues relating to economics and security in South East Asia would have to be considered. India's "Look East" Policy, which began unfolding in the early nineties, is informed by this vision. As the then Prime Minister, the late PV Narasimha Rao, had said, the "Look East" policy was not merely an external economic policy; it was also a strategic shift in India's vision of the world and India's place in the evolving global economy. Most of all, it was about reaching out to our civilizational Asian neighbours in the region who, by emerging as regional economic powerhouses, also presented us with a model worthy of emulation.

Developing ties with the Association of South East Asian Nations (ASEAN) has been a major objective of our "Look East" policy. Since 1992, our relations with this grouping have grown steadily. Beginning from a sectoral dialogue partnership, we became full dialogue partners in 1995 and were invited as Summit level partners in 2002. In 1996, we became members of the ASEAN Regional Forum. We have also signed a framework agreement for entering into a Free Trade Agreement and intensive discussions on this are continuing. In fact, earlier this year, I participated in the ministerial meetings of ASEAN in Cebu, Philippines and saw first hand the long way that our multiple relationships with this region have come since the Look East policy was initiated. Trade with ASEAN countries, for example, has risen from \$2.4 billion in 1990 to \$23 billion in 2005. We firmly believe that the ASEAN region's abundance of natural resources, significant levels of technological skills and robust economic performance provides the ideal platform for synergies and closer cooperation between India and ASEAN.

Indeed, our relationship with ASEAN should be of particular interest to this gathering since more than one state in the North East borders Myanmar, the only ASEAN member that India shares a land border with.

India is also part of the Mekong Ganga Cooperation Project, which also includes Myanmar, Thailand, Laos, Cambodia and Vietnam. The Project is primarily aimed at the development of overland trade, tourism, communication and transport linkages. In fact, at the meetings in Cebu earlier this year, India took over the chairmanship of this forum. In 2005, we also gained membership of the East Asia Summit (EAS) and, earlier this year, Prime Minister participated in its meetings in Cebu. This gives us the opportunity of further deepening economic integration with East Asia in line with the Prime Minister's vision of an Asian Economic Community that would be an integrated market, spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient road, rail and shipping services.

Finally, as part of the same endeavour to strengthen our linkages with the region and reinforce our Look East policy, a sub-regional grouping, called BIST-EC, comprising Bangladesh, India, Sri Lanka and Thailand was established in 1997. With the addition of Myanmar and, in 2004, of Bhutan and Nepal, the grouping came to be known as BIMSTEC or the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation. This forum has identified six sectors for focussed cooperation: trade and investment, technology, transport and communications, energy, tourism, and fisheries. A framework agreement with the aim of establishing a Free Trade Area has also been signed and India is to host the next Summit.

Less than three months ago, India also hosted the 14th SAARC Summit and assumed the SAARC Chairmanship. This is an honour, but with it also come enormous responsibilities. We are committed to taking forward the Declaration issued by the eight Heads of State and Government that commits the region to a whole range of developmental issues and cooperation in the field of education, trade and commerce, rural development, social issues, energy and food security, environment, etc. Of particular significance in this regard is the call by the leaders for the implementation of the recommendations of the SAARC Regional Multimodal Transport Study, which is key to realizing the objective of connectivity within the region and beyond it to other neighbouring regions.

How does all this impact on the North East region? With the paradigm shift from state centralism to interdependence and global and regional cooperation, India is aware of the geo-economic potential of the North-Eastern region as a gateway to East and South-East Asia. I am convinced

that by gradually integrating this region through cross-border market access, the North Eastern states can become the bridge between the Indian economy and what is beyond doubt the fastest growing and dynamic region in the world. As I mentioned earlier, geography is opportunity and the very geographical location of the North East makes it the doorway to South East and East Asia and vice versa, a doorway for these economies into India.

Let us consider some basic facts. The North-Eastern region is cradled by five Asian countries - China, Nepal, Bhutan, Myanmar and Bangladesh. Arunachal Pradesh, Manipur, Mizoram and Nagaland share a 1643 km long border with Myanmar; Assam, Meghalaya, Tripura and Mizoram share a 1880 km border with Bangladesh; Arunachal Pradesh, Assam and Sikkim share a 468 km border with Bhutan; Arunachal Pradesh and Sikkim share a 1325 km border with the Tibet Autonomous Region of the People's Republic of China. The region's difficulties as a loss of connectivity and market access following Partition in 1947 are well known. Today, however benefiting from the new dynamic of regional cooperation, this enormous geographical proximity, along with shared culture and customs, provides the basis for considerable synergies. Let me give some examples.

We are involved in a variety of cross border development projects with Myanmar in diverse fields such as roads, railways, telecommunications, IT, science and technology, power, etc. These initiatives are aimed at improving connectivity between North-Eastern India and Western Myanmar and are expected to give an impetus to the local economies as well as bilateral trade. Probably among the most important is the Kaladan Multi-Modal Transit Transport Facility, which envisages connectivity between Indian ports on the eastern seaboard and Sittwe Port in Myanmar and then through riverine transport and by road to Mizoram, thereby providing an alternate route for transport of goods to North-East India. In fact, given the importance that Government of India attaches to this project, we have decided to fund it completely on our own. The upgradation of the 160 km Tamu-Kalewa-Kalemyo Road in Myanmar across Manipur has already been completed. Discussions are also on to start work on the Trilateral Highway Project, which proposes to connect Moreh in Manipur to Mae Sot in Thailand via Bagan in Myanmar. Efforts are also underway to improve infrastructure, particularly road links, at the second India-Myanmar border trade point at Rhi-Zowkhathar In Mizoram sector by upgradation of the Rhi-Tidim and Rhi-Falam road segments in Myanmar. Apart from developing road links, efforts are underway to have a rail link from Jiribham in Assam to Hanoi in Vietnam passing through Myanmar. We are also working on enhancing

digital connectivity with this region, in particular through an optical fibre cable link between Moreh in Manipur and Mandalay in Myanmar.

With Bangladesh, there is already an agreement to run a passenger train service from Sealdah to Joydebpur and it is hoped that the service will start in the next few months. Of course, the bus services between Kolkata and Dhaka and Agartala and Dhaka are already operational. Similarly, India's excellent relations with Bhutan and its involvement in the development and growth of Bhutan's economy also translate into direct benefits for the North-Eastern states. Recent increases in the export of raw material and agricultural produce from this region to Bhutan have meant better opportunities for agriculturists and industries in the North-East. In fact, Jaigaon has grown and become prosperous with its position as the nodal point for trade with Bhutan. Mutually beneficial development of water resources between India and Bhutan is another characteristic of this relationship and most of the hydro-electric power that is being generated as a result from projects like Chukha, Kurichu and Tala is for the use of the Eastern and North-Eastern states of India.

I hope these examples have given you a sense of the priority that the Government places on the development of the North-Eastern region, including by integrating our foreign policy ends into the process. Of course, innovative foreign policy is not enough to solve our problems of development and growth and a policy framework in the domestic context also has to be in place to fully exploit the opportunity presented by geography. The development of the North Eastern States has been a central concern of the UPA Government. Accordingly, modifications in the North East Industrial Policy 1997 with the objective of matching the aspiration levels of these States and to ensure their speedy industrial development were brought about through the North East Industrial and Investment Promotion Policy 2007 after detailed discussions in the Committee of Secretaries, Group of Ministers and in the CCEA. At every stage, the suggestions of State Governments, recognized chambers and federations and other interest groups were debated at length. The policy, which has come into effect from 1st April this year, recognizes the need for a boost in investment in the North-Eastern region and aims to provide higher incentives for Industrial development and investment promotion.

In a substantive departure from the past, the distinction between 'thrust' and 'non-thrust' industries made in 1997 has been done away with. The capital investment subsidy has been enhanced from 15% of the investment in plant and machinery to 30%, The maximum ceiling of Rs 30 lakh on the

subsidy has been done away with. The maximum limit for automatic approval of subsidy has been enhanced from Rs. 30 lakhs to Rs. 1.5 crores. Claims of subsidy above Rs 1.5 crore and upto Rs 30 crore will be decided by an Empowered Committee chaired by the Secretary, Department of Industrial Policy and Promotion. Proposals of subsidy beyond Rs.30 crore will be placed before the Union Cabinet for consideration and approval.

Since the services industry is not very well-developed in the region, incentives have also been provided to some specified sectors like hotels, adventure and leisure sports, nursing homes, vocational training institutes, etc. Considering the rich biodiversity of the region, 'biotechnology' has been brought under purview of the new Policy. Many of the existing useful provisions of NEIP 1997 like transport subsidy scheme, income tax exemption, interest subsidy, etc., have also been retained. These are all significant steps to invite larger chunks of investment into this region and I expect many more large projects to come up in this part of the country.

When we look at all these steps taken on the foreign policy and the domestic fronts, it is clear that increased economic activity will lead to robust growth and the welfare of the local population. Naturally, challenges remain to be addressed and one of the major challenges is to ease trade among geographically contiguous economies by taking further steps to reduce and remove trade and transport barriers. We need to urgently reduce transaction costs through a series of measures, including simplification of border trade procedures and further improving physical connectivity and action on these fronts, including in cooperation with our neighbours, is underway.

At the same time, I am aware that many fear that accelerated cooperation could in fact pose serious challenges. These concerns or challenge need to be listed out; we need to dwell on how they may be addressed and today's exercise is part of this effort. There is, however, considerable urgency in this. The process of regional cooperation has begun and I can only foresee acceleration in the process. It is important, therefore, that we gear up for this and not get swept aside or away in the process.

Before I end, let me say that I look forward to hearing from you what needs to be done to optimise the benefits of regional and sub-regional cooperation among our people.

I thank you.



323. Address by the External Affairs Minister Pranab Mukherjee at a function jointly organized by the Embassy of India in Jakarta and the Indonesian Council on World Affairs on " India's Growing Engagement with East Asia".

Jakarta, June 18, 2007.

Dr. Arifin M. Siregar, Chairman of the Governing Body of the Indonesian Council on World Affairs and Distinguished Guests,

It gives me great pleasure to be here today to address this distinguished and knowledgeable gathering on the topical subject of India's growing engagement with East Asia¹.

1. Before the External Affairs Minister left for his tour of Indonesia and Singapore, the Public Diplomacy Division of the Ministry of External Affairs in pursuit of its outreach policy organized an interactive conference in Shillong in Northeastern India. The idea was to underline the geographic contiguity of the North-East India particularly with the ASEAN countries. Elaborating on the idea, the Spokesperson of the Ministry on June 14 said "This in fact is part of the MEA's public diplomacy drive which we have felt has been made necessary by the changes that are taking place in the world in terms of the more direct impact of foreign policy matters on the people of countries, people of particular regions; and the importance of the geographical context of a particular region. It is quite obvious that Look-East policy and the spinoffs of the Look-East policy would have a direct impact and could bring significant benefits to the people of the North-East." He said the Ministry was "undertaking this initiative of organizing these interactive conferences and meetings so that not only is the information disseminated but we also get inputs from the various regions concerned which can then go into policy-making." So, it is with this rationale that the External Affairs Minister will be speaking in Shillong in collaboration with ICRIER and the Omeo Kumardas Institute of Social Change and Development. Responding to a question from the media on the rationale of the Look East policy for the people of the Northeastern region of India, in the context of the overall foreign policy of the country, Spokesperson said: "The Look-East Policy was started in an international context. We have been very actively pursuing our relations with the countries to the East both bilaterally as well as in the multilateral fora that exist. For instance, we have gone from being outside the ASEAN to being Summit partners. We have a very intensive interaction with the ASEAN including attending the last East-Asia Summit. The focus of this initiative is not particularly restricted to the North-East. But let us say it is a general progression of our mindset that foreign policy has to be not only undertaken with other countries but that foreign policy has to be explained to our own people, and naturally given the globalised nature of our world today, whether you are talking of the economic impact, political impact, the socio-cultural impact. For instance, our policy in the Gulf has an absolutely direct impact on the situation in Kerala, whether you talk of the polity, you talk of the social impact, the economy because so many people are going there. So, naturally anything that happens in the Gulf in our foreign policy impacts directly on that region. Similarly what happens in Sri Lanka impacts directly on Tamil Nadu. So, the fact is that if you have to carry the people behind your foreign policy, then you have to explain it to them, you have to see what their inputs are and whether you can take them on board. Yes, Look-East policy may not yet have brought direct impact. But, the ASEAN

I have chosen to speak on this topic for a number of reasons. As many of you would be aware, India has undergone significant changes over the last decade and a half. During the same period, the international order has seen a profound structural transformation. Consequently, the foreign policy of India has had to re-formulate its priorities.

Among the major changes, the economic story is well known. India has achieved an average growth rate of 9% in the last three years and hopes to push it even further. Driven so significantly by domestic consumption, we have had to create our own model of growth. There is perhaps no precedent for change taking place on such a scale within a democratic framework. An era of 10% growth, which appears within sight, clearly calls for a different approach, given that closer integration with the global economy is a *sine qua non* for most developing countries. Expanding foreign trade and attracting greater foreign investment flows requires recalibration and reallocation of our energies. We have also taken note of the shift in the economic centre of gravity of the global economy towards the Asia Pacific region. Amidst this scenario, energy cooperation, with particular emphasis on supply and distribution in the long term, is among the subjects acquiring greater salience in our thinking.

In this context, East and South-East Asia have come to assume an important place in our policy priorities. Talking about this region, one of its unique, yet universally recognized features is the importance we attach to mutual respect and peaceful coexistence between nations. Within the nations themselves, the importance given to family values, culture and traditions

Car Rally for instance which we had in 2005, certainly focused attention on the economic and tourism potential of our North-East, and the possibilities that it could multiply, if you manage to build the highways and other infrastructural projects. So, yes, it may be still in the future but it is never too early to begin. Again elaborating on the relations with ASEAN in the context of Look East policy the Spokesman on June 15 added that "developing our ties with the ten member-countries of ASEAN has been a principle objective of our Look-East policy which was conceived in the 90s and has been pursued consistently and actively for the last decade and a half. Multi-faceted relationships have been developed with the countries of the ASEAN region, both in the bilateral context as well as in the multilateral context. India is a full dialogue partner of ASEAN since 1996 and an annual summit partner since 2002. India has participated in the East-Asia Summits held in Kuala Lumpur and Cebu in December 2005 and January 2007. Total volume of India's trade with the sixteen East-Asia Summit countries is now US\$ 80.1 billion as per the 2006 figures. Besides, of course, the ASEAN multilateral fora and their internal multilateral fora like the ARF, we also engage with the countries of the region as part of the Mekong-Ganga Cooperation and the BIMSTEC Forum. The Mekong-Ganga Cooperation comprises of six countries - that is India and five ASEAN countries Cambodia, Lao PDR, Myanmar, Thailand and Vietnam. BIMSTEC has India, Bangladesh, Bhutan, Nepal, Sri Lanka, Myanmar and Thailand.

needs no elaboration. When we talk about a family or comity of nations, it is understood in the right perspective. The freedom of expression which we espouse finds reflection in the strong democratic system that prevails in our countries. An inclusive government, responsive to the concerns of our peoples, gives us the needed energy to deal with the diverse and pluralistic societies our countries represent. Our shared historical traditions give us yet another reason for working together.

India's policy towards ASEAN nations and the nations of the Pacific was conceived in the context of various factors, including national interest, security concerns and economic imperatives. This policy was prompted by significant changes in the global political and economic scenario and by our own adoption of economic reforms and liberalization. ASEAN's economic, political and strategic importance in the Asia Pacific region and its potential to become a major partner of India in trade and investment were significant elements in our approach to the region. India's "Look East" policy can thus be described as the search for political and economic convergence with this most dynamic region of Asia which, through its emergence as an economic powerhouse of the world economy, provided India with a model worthy of emulation.

India has pursued its "Look East" policy and developed multi-faceted relationships with countries of the ASEAN region and the South Pacific within a multilateral as well as a bilateral context. We have been actively engaged with the ARF and as a Full Dialogue Partner of the ASEAN since 1996 and have been having annual summits since 2002. India also participated in the East Asia Summits held in Kuala Lumpur and Cebu in December, 2005 and January, 2007 respectively. We signed the "India-ASEAN Partnership for Peace, Progress and Shared Prosperity" at the 3rd India-ASEAN Summit in Vientiane in November, 2004. The Agreement envisages strengthening cooperation in the UN and the multilateral fora, including the WTO, combating international terrorism, transnational crimes, human trafficking, cyber and economic crimes, sea piracy and cooperation in capacity building. It lays stress on the development of regional infrastructure and intra-regional communication links to facilitate greater movement of goods and people cooperation in science and technology.

The resurgence of Asia in political and economic terms has been accompanied by the rise of powerful economic forces unleashed by globalization and the trend towards regional economic integration. Our

engagement with East and Southeast Asia in the political and security arena has been accompanied by progressive economic integration in terms of Free Trade Agreements and Comprehensive Economic Cooperation Agreements with countries of the region. A Framework Agreement on the FTA between India and Thailand was signed in 2003 and the Early Harvest Programme is being implemented since 1st September, 2004. A Framework Agreement for an FTA with the ASEAN was concluded in 2003. India concluded a Comprehensive Economic Cooperation Agreement with Singapore in June, 2005 and has established a Joint Study Group for examining the feasibility of a similar agreement with Malaysia. With Indonesia too, we have signed an MoU on the Establishment of a Joint Study Group to examine the feasibility of a similar arrangement. A Regional Trading Arrangement is currently under negotiation With China and negotiations are underway on bilateral Comprehensive Economic Partnership Agreements with Japan and the Republic of Korea.

India also participated in the first East Asia Summit (EAS) held in Kuala Lumpur in December, 2005. The Summit was a historic event which marked the beginning of a process that could define the future architecture of the region. India believes that the long term goal of the EAS should be the creation of a prosperous community of nations built on shared values and interests. At the Second East Asia Summit held in Cebu in January, 2007, the agenda of the forum was widened to include a number of areas including regional collaboration on poverty eradication, energy security, education, natural disaster mitigation, working together on the Doha Development Agenda, furthering economic development and regional integration and cooperation in ensuring regional security.

As a consequence of India's increasing economic engagement and integration with the Southeast Asian and East Asian region, the share of East Asia Summit countries in India's total trade increased from 18% to 26% between 1991 and 2006. The total volume of India's trade with the 16 East Asia Summit countries amounted to US \$80.1 billion in 2006. These developments should also be viewed in the context of the vision articulated by Prime Minister Dr. Manmohan Singh during the India-ASEAN Business Summit in New Delhi in October, 2004, envisaging the establishment of an "Asian Economic Community", which would be the driver of growth and economic integration in the entire region.

A significant aspect of the cooperation, both bilateral and through multilateral institutions like the ASEAN Regional Forum (ARF), has been the growing

cooperation on security issues fostered through dialogue and practical measures, as well as through the establishment of legal frameworks. The ARF is the only political and security dialogue forum in the region. It helps us engage with a broader range of countries and work towards the goal of ensuring regional peace and stability. For its part, India has, for many years, consistently urged the ARF to take up discussions on international terrorism. We have also engaged countries of the ASEAN, the Far East and the Pacific bilaterally on this issue that remains one of the principal security challenges of our times.

Our security cooperation has focused notably on maritime security, which is a vital issue of common concern to all of us. India has entered into bilateral arrangements with Thailand and Indonesia for joint coordinated patrols by the three navies in the Bay of Bengal at the mouth of the Malacca Straits. We are also ready to contribute to capacity building of littoral states in the area of maritime security. The participation of the navies of Southeast Asian countries in the bi-annual MILAN exercises has also fostered closer regional cooperation on maritime security issues. India also signed the Treaty of Amity and Cooperation at the Bali Summit in October, 2003.

Apart from the main ASEAN forum, India engages with various ASEAN countries in different frameworks. There is the context of our membership of Mekong-Ganga Cooperation and then the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). The MGC focuses on cooperation in culture, tourism, human resource development, education, transport and communication. BIMSTEC has chosen to focus on trade and investment, technology, transport and communication, energy, tourism and fisheries. It plays the role of bridging countries of South and South East Asia, with the North East region of our country as the centre of this bridge. We see great value in pursuing cooperation through all these forums.

Let me also take this opportunity to make brief observations about our ties with Indonesia and individual East Asian countries.

India and Indonesia are large pluralistic democracies in Asia with a mutual stake in each other's progress and prosperity. Our relationship is endowed with unique characteristics. Perhaps there is no other country with which India shares so much in common in terms of geography, size, diversity, historical and civilizational ties as it does with Indonesia. Indeed, soon after we attained independence, our two countries worked together to spread the message of freedom amongst the oppressed peoples of the world.

Together, we wrote the concluding chapter of colonialism. Based on a similar world view, we have crafted an enduring friendship founded on mutual respect and cooperation. I particularly wish to congratulate the leadership of Indonesia for the immense strides that have been made by this country in building democratic institutions and placing the economy firmly on the road to recovery and growth.

In November 2005, H.E. President Susilo Bambang Yudhoyono and Prime Minister Dr. Manmohan Singh opened a new chapter in our bilateral relations by establishing a New Strategic Partnership and identifying a range of areas for enhancing cooperation for the mutual benefit of our two countries. Indonesia is today also India's third largest trading partner in the ASEAN. Our bilateral trade reached US \$4.79 billion in 2006, representing a growth of 22% over the trade figures for the previous year. More than trade, however, Indonesia has been crucial for India in developing ties with the ten members of the Association of South East Asian Nations (ASEAN). This is important because building ties with ASEAN has been a principal objective of our "Look East" policy, conceived in the early 1990s.

As India's largest neighbour and a key emerging player in the international arena, China remains an important priority of India's foreign policy. The rapidly growing trade and economic exchanges between the two countries are pointers to the fact that India and China are now constantly engaged in mutually rewarding pursuits on the basis of a wide array of complementarities. Frequent high level visits have further contributed to developing mutual trust and understanding. While we remain fully conscious of our outstanding differences with China, including on the boundary question, the basic paradigm of our approach is to seek an all-round development of ties, without allowing these differences to define the agenda of the relationship. At the same time, we remain committed to proactively address these differences through peaceful dialogue on an equal footing.

While some degree of healthy competition between the two countries is inevitable, particularly in the area of trade and commerce, we believe that there is enough space and opportunity in the region and beyond for both India and China to grow together. In our view, the India-China partnership is an important determinant for regional and global peace and development, and for Asia's emergence as the political and economic centre of the new international order. It is with this realization of the long term, global and strategic character of India-China relations that the leaders of the two countries decided to establish a "Strategic and Cooperative Partnership

for Peace and Prosperity" during the visit of the Chinese Premier H.E. Mr. Wen Jiabao to India in 2005.

India also attaches high priority to strengthening relations with Japan and there has been a visible transformation in the political ambience of the relationship on both sides. Our bilateral relations reflect a new found dynamism propelled by the landmark visit of Prime Minister Koizumi to India in April, 2005 and the visit of Prime Minister Dr. Manmohan Singh to Japan in 2006. Japan is increasingly looking at its relations with India from a strategic perspective. Both our countries are now engaged in the process of deepening our Global Partnership in the 21st Century through high level visits, expanding economic relations and growing mutually beneficial exchanges in energy, science and technology, defence, cultural and academic fields.

The main emphasis of our relations with the Republic of Korea is to consolidate and intensify the present positive trends in our engagement and reiterate that India remains committed to pursuing a long term cooperative partnership for peace and prosperity. We seek to impart greater substance to our economic partnership through enhanced trade and investment flows, and also encourage Korean investments in various sectors, including infrastructure, steel, shipbuilding, hydrocarbon energy resources, biotech, pharmaceuticals, etc.

Singapore was one of the earliest of our partners in the ASEAN to realise the implications of the economic reforms India began a decade and a half ago. Our partnership has greatly encouraged India's stronger participation in Southeast Asian and East Asian structures since then. At the bilateral level, a Comprehensive Economic Cooperation Agreement was concluded in 2005 which has had a significant positive impact on our trade and investment relations. Today, Singapore is our largest trading partner in the ASEAN with a bilateral trade volume of US \$13 billion in 2006.

India and Malaysia have been linked together by historical and cultural ties that go back centuries. Both countries effectively symbolise "Unity in Diversity". Malaysia is our second largest trading partner in the ASEAN with a bilateral trade volume of US \$6.58 billion. Malaysian companies are active in India's infrastructure sector and Malaysia is also home to the largest Indian community in Southeast Asia.

Our relations with Thailand have moved beyond traditional areas of culture and commercial interaction to cooperation in security, defence, science

and technology, and a movement towards free trade. Thailand was the first country in the ASEAN with which India signed an FTA Framework Agreement in 2003 and it is today our fourth largest trading partner in the ASEAN.

Vietnam is a key partner of India in the ASEAN. We have always enjoyed close and cordial relations, the foundations of which were laid by Prime Minister Jawaharlal Nehru and President Ho Chi Minh more than fifty years ago. Our bilateral relationship is founded on genuine goodwill and mutual respect. India is committed to assisting Vietnam, along with Laos and Cambodia, in the spirit of South-South cooperation, both bilaterally and in the context of the 'Initiative for ASEAN Integration', which seeks to narrow the development gap among the members of the ASEAN.

We are committed to building a multifaceted relationship with the Philippines, encompassing a broad-based development of relations in the political, economic and security fields. The Philippines could emerge as an important partner for trade and investment and a number of Indian IT companies have established a presence there.

In conclusion, let me state that India remains committed to further intensifying its relations with this region. The pursuit of regional economic integration, emphasis on South-South cooperation, promotion of societal links through cultural cooperation and educational exchanges, as well as an increased focus on security cooperation and countering threats to national security will remain important pillars of our engagement with East Asia.

I thank you all for providing me this opportunity for sharing India's latest perspectives on its Look East policy. I am happy that I have been able to do this here in Indonesia, a country with which our relations go well back in time and where an active future beckons us all to build further on time-tested foundations.

I thank you.



324. Press Release of the Ministry of Railways on the signing of the Inter-Governmental Agreement on Trans-Asian Railway.

New Delhi, June 30, 2007.

In line with the Government's "Look East Policy" that requires strengthening of rail linkages in the region especially with our South East Asian neighbours, the Government of India has signed the Inter-Governmental Agreement on Trans-Asian Railway. The Agreement was signed by Shri J.P.Batra, Chairman Railway Board, Indian Railways, on behalf of Government of India on 29th June 2007 at UN Headquarters, New York. Earlier, 18 countries had signed the agreement at Busan, Republic of Korea in November 2006. Now with India and Bangladesh signing the agreement, a total number of 20 countries have become signatories of this agreement.

The total Trans-Asian Railway Network as finalised by the agreement has 80,900 Kms. of Railway line in 28 countries including 22,600 Kms. in South Asia, Islamic Republic of Iran and Turkey. The Southern Corridor of the network as decided in an expert group meeting held in Dhaka in 1999, commences from Kunming in China and Bangkok in Thailand and ends in Kapikule in Bulgaria. The total length of this route between Bangkok and Kapikule is 11,460 Kms. and it provides trans continental rail connectivity to the countries of China, Thailand, Myanmar, Bangladesh, Pakistan, India, Iran and Turkey. The route as proposed will enter India at Tamu, bordering Myanmar, entering Bangladesh at Mahisasan/Shabajpur and again enter India from Bangladesh at Gede. On the west side, the route is proposed to enter Pakistan at Attari. This route has a missing link of 315 Kms. between India and Myanmar of which 180 Kms alone is in India between Jiribam and Tamu in Manipur state.

Trans-Asian Railway Network will improve transport linkages between Asia and Europe facilitating movement of goods and containers among SAARC and ASEAN countries resulting in enhanced trade. It will also provide a unique opportunity for the Government to strengthen our ties with South East Asia. The Tran-Asian Railway Network will also strengthen rail linkages in North Eastern part of the country. Indian Railways has the largest and most developed rail network in the region. A multi-lateral agreement in the region will harmonize different standards and technologies adopted by different countries benefiting Indian Railways.

Tran-Asian Railways Project of UN-ESCAP aims for promoting infrastructure development in the ESCAP region. An Inter-Governmental agreement to formalize the Trans-Asian Railway Network was negotiated under UN-ESCAP and was adopted by the ESCAP at its 62nd session at Jakarta in April 2006.



325. Keynote Address by External Affairs Minister Pranab Mukherjee at the Institute for Security and International Studies (ISIS), Chulalongkorn University on "India's Look East Policy: Implications for Thailand and South East Asia".

Bangkok, September 14, 2007.

Dr. Thitinan Pongsudhirak, Director of the Institute of Security and International Studies,

Faculty and Students,

Distinguished Guests,

It gives me great pleasure to be here today to address this distinguished and knowledgeable gathering on "India's Look East Policy and its implications for Thailand and South East Asia". I am particularly happy to be doing so during the 60th Anniversary year of the establishment of diplomatic relations between India and Thailand. The Anniversary is, indeed, an opportune moment to share with each other our respective priorities and plans for the future. By doing so, I believe, we can craft a shared vision that would form the basis for cooperative action leading to progress and stability for the entire region.

I would, at the outset, like to congratulate the Institute for Security and International Studies for their work in conducting independent research and disseminating knowledge on international issues. I am also happy that issues relating to this region and to Asia are of priority for the Institute. This is particularly important as our countries have too often in the past looked at each other through the eyes of others. As the 21st century begins and as Asian nations rise to take their proper place at the table of global affairs, we need a better understanding of each other, both at the level of states

and of civil society. I, therefore, commend the ISIS for the work that they are doing to foster closer understanding in the region.

I would, at the beginning, also like to say a few words about India and Thailand. Our two countries are no strangers to each other. The architecture, sculpture and mythology of both countries reflect our shared cultural and civilizational linkages. India and Thailand are also maritime neighbours. It is, perhaps, not so well known that India's Andaman & Nicobar Islands are much closer to Thailand's coast than to the Indian mainland. History and geography make our two countries natural partners and it, therefore, follows that Thailand occupies a central place in India's "Look East" policy.

I have chosen to speak on this topic for a number of reasons. As many of you would be aware, India has undergone significant changes over the last decade and a half. During the same period, the international order has seen a profound structural transformation. Consequently, the foreign policy of India has had to re-formulate its priorities.

When our "Look East" policy was initiated in 1991, it marked a strategic shift in our perspective of the world. It coincided with the beginning of our economic reform process and provided an opportunity for significantly enlarging our economic engagement. At the same time, it also encouraged a renewal of linkages with our civilizational neighbours in South East and East Asia.

From sectoral dialogue partners in 1992, we became full dialogue partners in 1996 and, since 2002, we have annual Summits with ASEAN. India-ASEAN cooperation now covers a wide field, including trade and investment, science & technology, tourism, human resource development, transportation & infrastructure and health & pharmaceuticals. At the Third India-ASEAN Summit held in Vientiane in November 2004, we signed the "India-ASEAN Partnership for Peace, Progress and Shared Prosperity". The document contained a Plan of Action providing for enhanced political, economic, social and cultural cooperation, which is being implemented in a phased manner. In October 2003, India also signed the Treaty of Amity and Cooperation.

A significant aspect of the cooperation, both bilateral and through multilateral institutions like the ASEAN Regional Forum (ARF), has been the growing collaboration on security issues fostered through dialogue and practical measures as well as through the establishment of legal frameworks. This cooperation has focused on many areas, notably maritime security and counter-terrorism, which are of vital interest to the security of States as

well as commerce through the sea-lanes of communication in this region. On maritime security especially, India has entered into bilateral arrangements, including MoUs signed with Thailand and Indonesia, for joint coordinated patrols by the Navies of India, Indonesia and Thailand in the Bay of Bengal at the mouth of the Malacca Straits. We have also offered to contribute to capacity building of littoral states in this area. The participation of navies of Southeast Asian countries in the bi-annual MILAN exercises has also fostered closer regional cooperation on maritime security issues.

India has also, for many years, consistently urged the ARF to take up discussions on international terrorism. Since 2003, an Inter-Sessional Meeting on Counter Terrorism and Transnational Crime has been established. Four meetings have been held, in which recent developments in regional terrorism, counter terrorism strategies and capacity building were discussed. India has also engaged countries of the ASEAN, the Far East and the Pacific bilaterally on cooperation to combat terrorism.

The India-ASEAN FTA lies at the heart of our engagement with ASEAN. Though the implementation of the FTA was to begin on 1 January 2006, the negotiating process has proved difficult. The challenge has been to harmonize the positions of two partners who are both willing, but have different characteristics. However, there have been positive developments in recent meetings of Senior Officials and there are now proposals on the table that provide us with the possibility of concluding the negotiations at an early date. I am hopeful that we will see a breakthrough in the coming months. While all sides may not get a solution that meets all their objectives, the time has come for us to be pragmatic and find an outcome that is a win-win for both sides¹.

1. It may be recalled that in August Mr Kosit Panpiemras, Deputy Prime Minister and Minister of Industry of Thailand had visited New Delhi and welcoming him on August 31, Kamal Nath, Indian Minister of Commerce and Industry, had expressed hope that the bilateral trade between India and Thailand would take a growth trajectory that would take trade relations between the two countries to a new height. He had hoped that the FTA negotiations that are underway covering trade in goods, services and investments, including issues such as Rules of Origin, trade facilitation, Anti-dumping and safeguard measures, Dispute Settlement Mechanism would benefit the two countries. The Trade between India and Thailand has grown significantly during 1992 to 1997 from a level of US\$ 399.8 million in 1992 to US\$ 896.4 million in 1997. Bilateral trade crossed the US\$ 1 billion mark during the year 2000 (US\$ 1,122.6 million), a significant increase of 40.2% compared to 1999 (US\$ 800.2). The Bilateral trade has shown an impressive growth rate in the last few years. Bilateral trade volume increased by 29% over previous year, to touch US\$ 2,286 million in 2005-06 (exports US\$ 1,075 million; imports US\$ 1,211 million)

Besides the India-ASEAN dialogue, there are other frameworks too that form the architecture of our Look East Policy and lend substance to our engagement with South-East Asia. BIMSTEC, or the Bay of Bengal Initiative for Multi-Sectoral Technical & Economic Cooperation, was established right here in Bangkok on 6 June 1997. Focusing on trade and investment, technology, transport and communications, energy, tourism and fisheries, the objective of the grouping is to serve as a bridge between South & South East Asia. Though formed in 1997, BIMSTEC only became active after the first Summit that was held in Thailand in July 2004. India will be hosting the second Summit sometime in early 2008. We hope that this will impart further momentum to the grouping.

The MGC or Mekong Ganga Cooperation is another building block of our Look East policy. As you can probably guess, it too has a Thailand angle. The idea of bringing together Cambodia, India, Laos, Myanmar, Thailand and Vietnam to form the MGC came up in a conversation between the then

and had touched US\$ 1,509 million by September 2006. India's exports to Thailand were US\$ 1075 million in 2005-06, an increase of 19% over the previous year. In 2006-07 (April-Sept), India's exports to Thailand were US\$ 697 million. India's imports from Thailand were US\$ 1,211 million in 2005-06, a growth of about 40% over the previous year. The figure for 2006-07 (April-Sept) was US\$ 812 million. India's major exports to Thailand are Gemstones, mainly diamonds and emeralds; other metal ores, metal waste scrap and products; chemicals; iron, steel and products; vegetables and vegetable products; machinery and parts; medicinal and pharmaceutical products; yarn and fibres; vehicle parts and accessories; fresh aquatic animals, chilled, frozen and instant; fertilizer and pesticides; animal and animal products; plastic products; metal manufacturers. The Major imports of India from Thailand are Polymers of ethylene, propylene etc. in primary forms; radiobroadcast receivers, television receiver and parts thereof; iron and steel and their products; motor cars, parts and accessories; machinery and parts thereof; automatic data processing machines and parts thereof; chemical products; air-conditioning machine and parts thereof; aluminium products; plastic products. Earlier on June 26 at the India-Thailand Business Summit organized by the apex commerce chambers of the two countries, Thai Prime Minister Surayud Chulanont had said both Thailand and India would conclude a Free Trade Agreement (FTA) by 2010 that would further boost strong bilateral economic ties. "The two countries are on track to conclude an FTA in the near future with a view to establishing the FTA covering trade in goods by 2010." He had on the occasion announced the launch of India-Thailand FTA roadshow to develop business opportunities. Expressing satisfaction over the growing Indo-Thai business relations, General Chulanont said the FTA would benefit both economies as it would boost trade and investments. "We look forward to concluding regional FTAs in the frameworks of the Association of Southeast Asian Nations (ASEAN) and BIMSTEC (the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation that groups together Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand) that would benefit regional economy as a whole," he added. Stressing the importance of the proposed FTA, General Chulanont said that since the elimination of tariffs on 82 items under the early harvest scheme of limited FTA in 2004, bilateral trade jumped to \$3.4 billion last year, while the target of \$4 billion by 2007 was likely to be achieved.

Thai Foreign Minister and his Indian counterpart in New Delhi in July 2000. Both the Ganga and the Mekong are civilizational rivers, and the MGC initiative is indicative of the shared cultural linkages among the member countries. The focus of the MGC is on promotion of tourism and on cultural and educational cooperation. Just a few days ago, we hosted 20 Buddhist pilgrims from each MGC country in India for a visit to Buddhist holy sites. Initiatives such as these will, we hope, allow us to revive the cultural, commercial and other linkages that had brought together our countries in the ancient past.

India's perspectives for the future of the region have been outlined in our vision of an Asian Economic Community. Our Prime Minister has spoken of an integrated market, spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient road, rail, air and shipping services. To quote him: "This community of nations would constitute an 'arc of advantage' across which there would be large-scale movement of peoples, ideas and connectivity".

The East Asia Summit provides a forum for taking forward this vision. As a consequence of India's increasing economic engagement and integration with the Southeast Asian and East Asian region, the share of East Asia Summit countries in India's total trade increased from 18% to 26% between 1991 and 2006. The total volume of India's trade with the 16 East Asia Summit countries amounted to US\$ 80.1 billion in 2006. The coming together in this framework of increasingly interdependent countries that have transformed the region into the engine of the world economy, has the potential of redrawing equations, both within Asia and of Asia vis-à-vis the rest of the world.

At the inaugural East Asia Summit held in Kuala Lumpur in December 2005, India proposed the establishment of a robust institutional architecture that would form the basis for regional cooperation and action, and lead to engagement on a scale not seen in Asia in the past. We suggested that a Pan-Asian Free Trade Agreement could be the first building block for such a community. We are, indeed, gratified, that this suggestion has found acceptance. At the Second East Asia Summit held in Cebu in January this year, it was agreed to launch a Track II study on a Comprehensive Economic Partnership in East Asia among all East Asia Summit countries.

In my opening remarks, I had noted that shared history and geography make Thailand and India natural partners. Indeed, India's 'Look East' Policy has found a perfect complement in Thailand's 'Look West' Policy. As a

result of these new approaches, India's relations with Thailand have moved beyond the traditional areas of culture and commercial interaction to cooperation in security, defence, science and technology, as well as free trade. Thailand is our fourth largest trading partner in the ASEAN. When we signed a Framework Agreement on an FTA with Thailand in 2003, it became the first country in the ASEAN with which India had concluded such an arrangement. The Early Harvest Programme of the FTA is being implemented since 1st September 2004. We have had very constructive discussions with Thailand recently and are hopeful that it would be possible to sign the FTA on goods before the end of this year.

India's partnership with ASEAN and other regional mechanisms has naturally given our multilateral cooperation with the region a major boost. At the same time, it has also served to significantly diversify and deepen our bilateral relationships with individual ASEAN member countries. Our contacts with almost all countries of the region are now marked by enhanced economic relations, closer diplomatic coordination, intensified cultural ties and greater people to people contact. Defence and security cooperation for mutual benefit too are aspects of some of these relationships. In the coming years, through mechanisms such as free trade or comprehensive economic cooperation agreements, we hope to further promote all these individual relationships as well.

Ladies and Gentlemen,

While we focused on ASEAN when we initiated our "Look East" policy a decade and a half ago, the policy has since evolved to include East Asia and countries of the Pacific, and we have welcomed the opportunities this has provided to enhance our relationships with these countries, all of whom have important roles to play in this extended region. Let me briefly touch on three of them.

As India's largest neighbour and a key emerging player in the international arena, China remains an important priority of our foreign policy and a key component of our "Look East" policy. The rapidly growing trade and economic exchanges between the two countries are pointers to the fact that India and China are now constantly engaged in mutually rewarding pursuits on the basis of a wide array of complementarities. Frequent high level visits have further contributed to developing mutual trust and understanding.

While we remain fully conscious of our outstanding differences with China,

including on the boundary question, the basic paradigm of our approach is to seek an all-round development of ties, without allowing these differences to define the agenda of the relationship. At the same time, we remain committed to addressing proactively these differences through peaceful dialogue on an equal footing.

While some degree of healthy competition between the two countries is inevitable, particularly in the area of trade and commerce, we believe that there is enough space and opportunity in the region, and beyond, for both India and China to grow together. In our view, the India-China partnership is an important determinant for regional and global peace and development, and for Asia's emergence as the political and economic centre of the new international order. It is with this realization of the long term global and strategic character of India-China relations that the leaders of the two countries decided to establish a "Strategic and Cooperative Partnership for Peace and Prosperity" during the visit of the Chinese Premier H.E. Mr. Wen Jiabao to India in 2005.

We also attach high priority to strengthening our relations with Japan. There has been a visible transformation in the political ambience of the relationship on both sides. Our bilateral relations reflect a new found dynamism, propelled by the landmark visit of Prime Minister Koizumi to India in April, 2005, the visit of Prime Minister Dr. Manmohan Singh to Japan in 2006 and the visit of Prime Minister Shinzo Abe a few weeks ago. Japan is increasingly looking at its relations with India from a strategic perspective. Both our countries are now engaged in the process of deepening our Strategic and Global Partnership through high level visits, expanding economic relations and growing mutually beneficial exchanges in energy, science and technology, defence, cultural and academic fields.

With the Republic of Korea, where I am going day after tomorrow, the main emphasis of our relations is to consolidate and intensify the present positive trends in our engagement. India remains committed to pursuing with ROK a long term "Cooperative Partnership for Peace and Prosperity". We seek to impart greater substance to our economic partnership through enhanced trade and investment flows, and also encourage Korean investments in various sectors, including infrastructure, ICT, hardware, steel, shipbuilding, hydrocarbon energy resources, biotech, pharmaceutical industries, etc.

Distinguished Guests,

Before I conclude, let me return to the theme of India-Thailand linkages.

The colonial intervention in India in the 19th century caused a break in the trade and movement of people between our two countries, which had existed over the ages. This is an area in which work is now being done. We already have, at present, more than a hundred flights a week between our two countries. This number is fast increasing. In 2006, nearly half a million Indians visited Thailand and over 33,000 Thais traveled to India.

Much more needs to be done in the field of transportation linkages. The India-ASEAN Car Rally held in October-November 2004 demonstrated the existence of land route connectivity between our two countries. There are, however, missing links in the road that goes from Moreh in India, through Bagan in Myanmar, to Mae Sot in Thailand. A number of stretches of the road also need to be upgraded.

In April 2002, India, Myanmar and Thailand agreed to cooperate in the construction of a trilateral highway that would link the two countries. The road alignment for the highway, which that would be 1400 kms. in length, has been completed. While work has started, it could - in our view - move much faster.

The idea of a road link between India and Thailand cannot but captivate one's imagination. For India, it would mean road connectivity with all of ASEAN. For Thailand, it would mean road connectivity with a market of more than a billion people. For both countries, the trilateral highway would be a highway to greater prosperity.

The eight North Eastern States of India are often described as land locked. They are joined to the rest of India by a narrow land corridor that skirts the north of Bangladesh. This land corridor is only 21 to 40 kms in width and is known as the Chicken's Neck. This has been a serious impediment for the development of the region, which has lagged behind the rest of the country in terms of infrastructure and industrial development. In recent months, Thailand has taken some important steps to forge a closer relationship with this region of India and we in India are committed to cooperation with Thailand in this endeavour.

Our Minister for the Development of the North East Region visited Thailand in March 2007 with a large business delegation. The Thai Minister of Commerce followed this up with his valedictory address at the Third North East Summit held in New Delhi on 11 April 2007. He subsequently led a group of Thai business leaders to the North East States of India from 22-25 June 2007. This will now be followed by a North East India Investment Opportunities week in Bangkok from 1-4 October 2007.

We propose to have seminars, business-to-business meetings, an exhibition showcasing products from North East India, a food festival, cultural evenings and a fashion show during this week. All of Thailand knows India, particularly as the land of Lord Buddha. We hope that soon all of Thailand will also get to know North East India, and that our "Look East" policy, the India-Thailand relationship and the trilateral highway project will change the North East of India from being land-locked to being land-linked. While this is a long-term vision, it is also one that drives forward our bilateral relationship.

I will, in conclusion, say that India is bound by close ties of history, geography and culture to Thailand and to South East Asia. In the modern age, we jointly seek a future that fuels itself both by our shared past and our current commonalities. I believe that we are destined to be on the same side of history, as neighbours, as friends and as partners in the quest for progress. By working together, we can contribute to making the 21st century truly an Asian Century.

Thank you for doing me the honour of inviting me to speak to you and for listening so patiently.

Thank you.



326. Address of External Affairs Minister Pranab Mukherjee at the Korean Institute of Foreign Affairs and National Security on "India's Look East Policy".

Seoul, September 17, 2007.

Chancellor Lee Ju-heum of the Institute of Foreign Affairs and National Security (IFANS),

Excellencies,

Distinguished Guests

I am delighted to be here today to address this distinguished gathering on India's growing engagement with East Asia*. Many decades back our first Prime Minister, Jawaharlal Nehru, prophesized that the "emergence of Asia in world affairs will be a powerful influence for the world peace". It has taken some time for Asia to make that journey from a colonized continent to being the world's economic power-house. The character of the economy today, its demographics and active diplomacy reveal that the balance is shifting to Asia.

2. As the international order witnesses this significant structural transformation, we are engaged in our own process of enabling change and in reformulating our external priorities. It began when India launched its "Look East Policy" in the early 1990s. That fundamental new step was not merely the outcome of economics; it was a strategic shift in India's vision of the world in the 21st century. We were aware of the achievements of our neighbours to the East who, by emerging as economic powerhouses, also provided us with a message that enriching the flower bed of enterprise fires rapid economic growth. The Republic of Korea stood tall among the achievers and it is not a coincidence that the first visit by a Prime Minister from India was in 1993.
3. It is not as if we suddenly discovered Korea in 1990. The legend of the Princess of Ayodhya who travelled to Korea in the 1st century AD to marry King Suro is symbolic of the common cultural and spiritual values that we shared as Indians and Koreans. In the darkest hour of our two nations' existence at the beginning of the 20th century, our Nobel laureate Tagore prophesized your country's re-emergence as the 'light of the east'. He wrote:

"In the Golden days of the East
Korea was one of its lamp-bearers
And that lamp is waiting to be lighted once again
For the illumination of the East."

4. In the early years of our independence, the Korean peninsula became the meeting ground for the world's great powers. In the aftermath of the unfortunate developments on the Korean peninsula, we recognized our responsibility as fellow-Asians and made our modest contribution to the process of building peace. The work by the 60th Indian Field Ambulance Unit of the Army Medical Corps symbolized our friendship and re-united us after centuries of separation.
5. Similarly, with other countries in East Asia, including China and Japan and the countries of south-east Asia, India has long standing civilizational bonds. In spiritual and cultural values, by name and language, through dance and art, there is a historical tradition of contact between India and East Asia. It is, therefore, against this larger backdrop that I wish to speak to this distinguished gathering about our re-engagement with the East, and with your great country.
6. The essential philosophy of our "Look East" strategy, which is now well established, is that India must find its destiny by linking itself more and more with its Asian partners and the rest of the world. We believe that India's future and our own best economic interests are served by greater integration with East Asia. This may seem unusual to the young generations in our countries who grew up when India and the countries of East Asia walked down different paths during the Cold War, but to those of my generation and for the youngest generation in our countries, this will be a rediscovery by Asian countries of their common Asian heritage. It is my belief that this shift that is taking place and the kind of interaction that is emerging amongst Asian countries has deep historical and cultural roots and, therefore, can be a very powerful force for future peace and stability on our continent.
7. Our interest in engaging with East Asia has domestic roots. We are a vibrant democracy, quickly transforming ourselves into a vibrant economy with growth on an ascending trajectory. The current economic growth is around 8 % and we hope to achieve a 10 % sustainable growth in the coming years. Our policies relating to foreign trade, foreign direct investment, taxation, banking, finance and capital

markets have evolved to make Indian industry more competitive globally. Our foreign exchange reserves currently exceed US\$ 200 billion. While we still have a long way to travel down the road to prosperity and well-being for all, there is tremendous confidence and optimism all around, about our ability to develop through democratic means, to ensure growth that is inclusive.

8. I would like to put forth before you the way India has sought to integrate with Asia in general. To begin with, we focused very much on the ASEAN. Beginning from a sectoral partner, our association with ASEAN evolved into a Full Dialogue Partner and finally to a Summit Partner. We have close relations with all countries in the region and our economic and cultural ties will get stronger by the day as travel, tourism and business reinforce regional interaction. This is but one aspect. The second aspect has been that our own relations with East Asian countries have been growing rapidly, whether it is with ROK or China or Japan.
9. Our engagement with China is broad and multifaceted. Trade and investment are the great drivers of the new relationship. We are confident that our "Strategic & Cooperative partnership" will mature and steadily develop. The leaders of both countries recognize that co-existence and cooperation is the wise course of action, and sensitivity to mutual aspirations is the underpinning for building confidence and trust. There is enough space and opportunity for both of us to grow and develop, and to bring benefit not only to us, but also for other partners in Asia.
10. We have a Strategic & Global Partnership with Japan. Economic opportunities form the core of our ties. We see a strong potential for further growth in all areas of our relationship. In the knowledge based world of the 21st century both countries possess complementary skills that can be turned to create new opportunities for the region as a whole.
11. Our "Long Term Cooperative Partnership for Peace and Prosperity" with your great country is a corner-stone of India's Look East policy. My fellow Indians and I are amazed at the rapidity with which LG, Hyundai and Samsung have become household names in India. We are now negotiating a Comprehensive Economic Partnership Agreement and our trade is out-performing the targets that have been laid down from time to time. More recently, our relations have

expanded into other areas as well, and I am of the firm belief that we need to give strategic orientation to our bilateral partnership in order to take it to the next level.

12. We see great value in pursuing economic cooperation with fellow East Asians in the pursuit of a truly integrated Asian economy that will draw on the economic potential of India and China, the technology and management expertise of Korea and Japan and the dynamism of ASEAN. There are those who speak of a two track approach for such integration, namely economic integration led by ASEAN+3 in the first phase, to be followed subsequently by expansion to other economies. In India, we choose to look at it from a different perspective. In a globalized world, it is mutually gainful opportunity and not geography that defines and drives the processes of integration. India offers such opportunity here and now and, if the BRIC Report of Goldman Sachs is to be believed, it will continue to offer larger opportunities in the foreseeable future. We do believe that ASEAN should remain in the driving seat and be the nucleus of this integrative process. But I ask the distinguished gathering whether it will serve regional interests, and Korean interests, if such processed exclude others, whose development is integral to the region as a whole. That is why I firmly believe that an Asian economic community that is open, transparent and inclusive, and provides a platform to create ever widening economic opportunities, is better for Asia and for the world, than a narrower or restrictive definition of Asian economic integration. I hope that my friends in Korea will understand and recognize that the future depends on the integration of Asia as a continent without artificial geographical sub-divisions.
13. In fact, recent studies have revealed a compelling case for a broader Asian economic community built in a phased manner. This community comprising half of the world's population would be larger than the EU in terms of output, having trade higher than NAFTA and foreign exchange reserves greater than those of EU and NAFTA put together. It has been demonstrated that economic integration could generate billions of dollars of additional output. The vision of Asian economic integration by coalescing the FTAs among member Asian countries into an Asian RTA is the pivotal step towards the integration of Asia into a common unit. It is precisely for this reason that our Prime Minister, Dr Manmohan Singh, envisaged the creation of a broader Asian Economic Community.

14. While it is very clear that economic integration trends are becoming visible in Asia, there are other important areas where wider collaboration is also necessary. If we are creating an integrated Asian economic community, then we also need to look at a realistic and positive security architecture for this part of the world. There is, of course, the ASEAN Regional Forum - which is more of a consultative process. While we do not have any preference for a particular type of institutional framework, the first step is to develop a common recognition of the challenges that we will face as an Asian economic community.
15. Both India and Korea, and many other Asian economies, are dependent on foreign sources of energy. The sea lanes of communication are therefore vital for us all, and their security must be a paramount consideration. When we consider that our trade and investment also flows along the same sea lanes, this becomes a primary issue for us all. Piracy and terrorism are common threats and information sharing a common requirement. It is, therefore, natural that countries in the region will engage in cooperation and collaboration on maritime safety and security. Such cooperation and collaboration is to heighten awareness of common challenges and ensure a degree of preparedness.
16. Natural disasters and consequent economic and environmental consequences present another common challenge. The tsunami in 2004 was a wake-up call for closer cooperation among Asian countries in the Indian Ocean. Can we look to establishing an Asian Emergency Response System? I do not know the answer to this question, but it is one that we will all have to ponder over since the impact of another natural calamity on the scale of the 2004 tsunami could have serious consequences not only for those directly affected but for all other Asian economies that are linked by trade and investment to the affected economies.
17. Asia's integration is also being driven by other factors. There are issues relating to the financial infrastructure and the need to protect ourselves from any major upheaval in the financial markets or in the stock markets in the future. We believe that the Asian financial structure, though growing very rapidly and remaining dynamic, needs to become stronger. I could put forth many other issues that we feel are important. My point is that we certainly believe that this process

of economic integration in Asia needs to be looked into with a positive frame of mind as there will be greater opportunities for us to work together in future. Asia, today, is the most dynamic and vibrant region in the world. This is the home of the major economies of the world and also to the fastest growing economies. This process of growth is irreversible and I believe that the time has come for us to come together and look at the future patterns of growth that brings prosperity to all.

18. I thank you all for providing me this opportunity for sharing India's latest perspectives on its Look East policy. I am happy that I have been able to do this here in the Republic of Korea, a country with which our relations go well back in time and where an active future beckons us all to build further on time-tested foundations.¹

Thank you.



1. At the end of his address Mr. Mukherjee was asked several questions One of the questions from the audience related to the implications of the India-U.S. civilian nuclear energy deal "for regional stability" in East Asia and about the "concerns of some people whether that kind of rapprochement will continue." He was also asked whether he would foresee "any other kinds of constraints or issues of contention" between India and the U.S. Mr. Mukherjee responding said: "I do not visualise any constraints in our bilateral relations [with the U.S.]. It is expanding very fast. In fact, we [have] had good relations with the U.S. from the very beginning. And now, it has assumed new dimensions, new angularities. ... And, the latest ... civilian nuclear cooperation, if it is finally materialised, would be a landmark agreement for bilateral cooperation in the context of the multilateral framework. Because... the implication would be the involvement of a large number of NSG [Nuclear Suppliers Group] countries and also India-specific arrangements with the IAEA [International Atomic Energy Agency] in [the] future... In every individual relation, there may be certain areas of divergences of views on certain aspects in a particular context. But, it is not necessary that it [the divergence] stands in the way of the overall expansion of relationship with any country." Asked about the possible impact of the emerging U.S.-India equation on China's ties with New Delhi, Mr. Mukherjee said: "There is no question of cooperation between India and the U.S. to act as some sort of containment of any country, including China." "The leaders of both countries recognise that co-existence and cooperation is the wise course of action; and sensitivity to mutual aspirations is the underpinning for building confidence and trust. There is enough space and opportunity for both of us to grow and develop and to bring benefit not only to us but also for other partners in Asia." Differences, including those over the boundary question, "did not stand in the way of investment and trade." India-China trade now stood at \$30 billion, and he was confident that they would be able to surpass the \$40-billion target set for 2010.

327. Statement by External Affairs Minister Pranab Mukherjee after the meeting on Look East Policy.

New Delhi, October 31, 2007.

We have just concluded a meeting on the development of India's North Eastern Region with special emphasis on the application of India's Look East Policy to this region. The meeting was convened as a follow up to a Concept Note by my colleague Shri Mani Shankar Aiyar, the Minister for Panchayati Raj, Youth Affairs and Development of the North Eastern Region. Apart from the Chief Ministers of all the North Eastern States (except Sikkim) and Shri Aiyar, the meeting was also attended by my Cabinet colleagues, the Hon'ble Ministers of Home, Defence, Finance and Shipping, Road Transport & Highways. Also participating in the meeting were the Ministers of State in the Department of Commerce and the Department of Industrial policy & Promotion.

In my opening remarks, I underlined the importance of the subject of this meeting, especially after nearly 15 years of India's Look East Policy. While this policy has yielded many benefits, including closer and strategic contacts between India and South East Asian countries, an impressive increase in the quantum of bilateral trade and increased people-to-people interaction, we have felt for some time the need to focus the benefits of this cooperation more sharply on our North Eastern Region, which is a natural bridge between India and South East Asia.

The interventions made by the Chief Ministers of North Eastern States at the meeting focused primarily on the present state of connectivity and of infrastructure available in the North Eastern States, capacity building, future potential for export and tourism, the possibility of institutional cooperation in training and research and on-going action being taken by State Governments with a view to dovetail national development strategies with various foreign policy initiatives.

Essentially, what we are looking at here is a new paradigm of development whereby our foreign policy initiatives blend seamlessly into our national economic development. Given that we have, over 15 years of pursuing our Look East Policy, put in place certain diplomatic and political structures, there is need now to make these structures work for our North Eastern Region. Diplomatic initiatives urgently need to be converted into commercial opportunities. For this purpose, MEA will work in close cooperation with the Ministry for the Development of the North Eastern Region, the Planning

Commission, all economic ministries and the State governments.

As I mentioned earlier, physical connectivity and infrastructure emerged at the meeting as crucial issues which need our immediate attention. For this purpose, our desire to cooperate with neighbouring countries to enable more efficient transit stands firm and we would be making all efforts to ensure that our objectives are achieved as quickly as possible.

This meeting today has been a very fruitful exercise and we intend to make it a continuing affair.

Thank you.



AUSTRALIA

328. Press Release of the Ministry of Commerce on the agreement on a Joint Study on Options for a bilateral Free Trade Agreement between India and Australia.

New Delhi, August 31, 2007.

India and Australia have agreed to undertake a joint feasibility study into the benefits of a free trade agreement (FTA) between both countries.

Trade and investment links between Australia and India have grown rapidly in recent years. It is expected that the study would provide a timely opportunity to examine the potential for benefits which might flow from a bilateral FTA.

India is emerging as one of the key drivers for global economic growth and its economic rise will be increasingly critical to world economic development. Australia's established economic strength and competencies make it a significant trading partner for many countries, including India.

The study will examine the potential benefits of FTA for both countries. In particular, the study will focus on the impact a FTA could have on promoting economic growth in both countries, bilateral trade in goods and services, as well as investment and other commercial linkages.

The Governments will initially hold bilateral meetings to discuss the terms of reference for the FTA feasibility study. The study will commence in late 2007 and is expected to be completed in 2009.

Two-way trade in goods and services between Australia and India reached US\$ 7.76 billion in 2006-07.



CAMBODIA

329. Briefing points by Official Spokesperson on the postponement of the visit of the Cambodian Prime Minister Hun Sen.

New Delhi, July 9, 2007.

- The Prime Minister of Cambodia H.E. Mr. Hun Sen accompanied by a high-level delegation arrived in Delhi on Sunday, July 8, 2007.
- Senior officials of the Ministry of External Affairs met with the Cambodian officials to convey the details of the programme in the light of the demise of former Prime Minister Shri Chandra Shekhar and the declaration of state mourning for a period of 7 days. Later Hon'ble External Affairs Minister Shri Pranab Mukherjee, met with Deputy Prime Minister and Foreign Minister Mr. Hor Namhong. EAM explained that the Indian side was ready to go ahead with the official programme except for the ceremonial part of the programme. It was elaborated that this could not take place owing to the regulations that governed GOI activities during a period of state mourning. It was clarified to the Cambodian side that official discussions, calls and meetings could take place as originally scheduled.
- The Cambodian side expressed their deep condolences and conveyed that as the funeral date coincided with the main engagement day, it would not be proper on their part to continue with the visit. The Cambodian Foreign Minister reiterated to EAM that they would return to Delhi as soon as mutually convenient dates are agreed upon. The Cambodian Foreign Minister specifically emphasized that Cambodia-India bilateral relations were very close and cordial. He assured that the traditionally friendly relations between the two countries would continue to be strengthened further. During the day, the Cambodian Prime Minister also sent a personal message of condolence to Prime Minister Dr. Manmohan Singh conveying deep regrets at the passing away of the former PM Chandra Shekhar.
- The Cambodian delegation headed by their Prime Minister, left for Cambodia in the early morning of Monday, July 9. Before departure, the leader conveyed his condolences again and said that they would come back soon. Fresh dates for the visit in the near future are under consideration.



330. Memorandum of Understanding on Foreign Office Consultations between the Ministry of External Affairs of India and the Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia

New Delhi, December 8, 2007.

The Ministry of External Affairs of India and Ministry of Foreign Affairs and International Cooperation of the Kingdom of Cambodia, hereinafter referred to as "the parties"

Mindful of traditionally friendly relations between their countries and peoples:

Desirous of further developing and strengthening their friendly relations, cooperation and mutual understanding;

Considering that their cooperation and mutual understanding would contribute further to promoting international peace and security;

Conscious of the usefulness of regular consultations and exchanges between the two countries at different levels on bilateral relations and international matters of common interest;

Reaffirming their adherence to the purposes and principles of the United Nations Charter;

Have reached the following understanding:

ARTICLE 1

The Parties shall hold regular consultations to review all aspects of their bilateral relations and to undertake exchange of views on international issues of mutual interests and interaction in the international arena.

ARTICLE 2

Consultations on bilateral relations shall include all areas, especially political, as well as economic, commercial, scientific, technical and cultural cooperation.

It shall include consultations by representatives of the two countries in international organizations, conferences and meetings.

ARTICLE 3

Consultations within the framework of this Memorandum of Understanding

will be held once a year, alternately in Phnom Penh and New Delhi at the level of Vice Minister or equivalent.

Dates, place and agenda for the consultations shall be determined mutually through diplomatic channels.

ARTICLE 4

The provisions of this Memorandum of Understanding shall be without prejudice to any other treaties or agreements to which both sides are parties.

ARTICLE 5

Any differences or disputes that may arise for the implementation of this Memorandum of Understanding shall be settled by mutual consultations between the Parties.

ARTICLE 6

The present Memorandum of Understanding shall enter into force on the date of its signing and shall remain in force for a period of five years, and it may be further extended for subsequent periods of five years at a time, unless either of the Parties gives to the other a written notice six months in advance of its intention to terminate it before the date of its expiry.

Done at New Delhi on 8th day of December, 2007 in two originals each in the Khmer, Hindi and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**For and on behalf of the
Government of the Republic of India**

**For and on behalf of the Government
of the Kingdom of Cambodia**

**(Pranab Mukherjee)
Minister of External Affairs**

**(HOR Namhong)
Deputy Prime Minister,
Minister of Foreign Affairs and
International Cooperation**

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331. Agreement between the Government of Republic of India and the Royal Government of Cambodia on the Transfer of Sentenced Persons.

New Delhi, December 8, 2007.

The Government of the Republic of India and the Royal Government of Cambodia hereinafter referred to as the Contracting States;

Desiring to facilitate the social rehabilitation of sentenced persons into their own countries; and

Considering that this objective should be fulfilled by giving foreigners, who have been convicted and sentenced as a result of their commission of a criminal offence, the opportunity to serve their sentences within their own society;

Have agreed as follows:

**ARTICLE 1
Definitions**

For the purpose of this Agreement:

- (a) "Judgement" means a decision or order of a court or tribunal imposing a sentence;
- (b) "receiving State" means a State to which the sentenced person may be, or has been, transferred in order to serve his sentence;
- (c) "sentence" means any punishment or measure involving deprivation of liberty ordered by a court or tribunal for a determinate period of time or for life imprisonment on account of a criminal offence;
- (d) "sentenced person" means a person undergoing a sentence of imprisonment under an order passed by a criminal court including the courts established under the law for the time being in force in the Contracting States;
- (e) "transferring State" means the State in which the sentence was imposed on the person who may be, or has been transferred.

**ARTICLE 2
General Obligations**

1. A person sentenced in the territory of one Contracting State may be

transferred to the territory of the other Contracting State in accordance with the provisions of this Agreement in order to serve the sentence imposed on him. To that end, he may express to the transferring State or the receiving State his willingness to be transferred under this Agreement.

2. Transfer may be requested by any sentenced person who is a national of a Contracting State or by any other person who is entitled to act on his behalf in accordance with the law of the Contracting State by making an application to the Contracting State and in the manner prescribed by the Government of that Contracting State.

ARTICLE 3 **Conditions for transfer**

1. A sentenced person may be transferred under this Agreement only on the following conditions:
 - (a) the person is a national of the receiving State;
 - (b) the death penalty has not been imposed on the sentenced person;
 - (c) the judgment is final;
 - (d) no inquiry, trial or any other proceeding is pending against the sentenced person in the transferring State;
 - (e) at the time of receipt of the request for transfer, the sentenced person still has at least six months of the sentence to serve or is undergoing a sentence of life imprisonment or the sentence is indeterminate;
 - (f) that the acts or omissions for which that person was sentenced in the transferring State are those which are punishable as a crime in the receiving State, or would constitute a criminal offence if committed on its territory;
 - (g) the sentenced person has not been convicted for an offence under the military law;
 - (h) transfer of custody of the sentenced person to the receiving State shall not be prejudicial to the sovereignty, security or any other interest of the transferring State;

- (i) consent to the transfer is given by the sentenced person or, where in view of his age or physical or mental condition either Contracting State considers it necessary, by any other person entitled to act on his behalf in accordance with the law of the Contracting State; and
 - (j) the transferring and receiving States agree to the transfer.
2. In exceptional cases, the transferring and receiving States may agree to a transfer even if the remaining period to be served by the sentenced person is less than six months.

ARTICLE 4
Obligation to furnish information

1. If the sentenced person has expressed an interest to the sentencing State in being transferred under this Agreement, the transferring State shall send the following information and documents to the receiving State unless either the receiving or the transferring State has already decided that it will not agree to the transfer:
- (a) the name and nationality, date and place of birth of the sentenced person;
 - (b) his address, if any, in the receiving State;
 - (c) a statement of the facts upon which the sentence was based;
 - (d) the nature, duration and date of commencement of the sentence;
 - (e) a certified copy of the judgment and a copy of the relevant provisions of the law under which the sentence has been passed against the sentenced person;
 - (f) a medical, social or any other report on the sentenced person, where it is relevant for the disposal of his application or for deciding the nature of his confinement;
 - (g) any other information which the receiving State may specify as required in all cases to enable it to consider the possibility of transfer and to enable it to inform the sentenced person of the full consequences of transfer for him under its law;
 - (h) the request of the sentenced person to be transferred or of a

person entitled to act on his behalf in accordance with the law of the transferring State; and

- (i) a statement indicating how much of the sentence has already been served, including information on any pre-trial detention, remission, or any other factor relevant to the enforcement of the sentence,
2. For the purposes of enabling a decision to be made on a request under this Agreement, the receiving State shall send the following information and documents to the transferring State unless either the receiving or the transferring State has already decided that it will not agree to the transfer:
 - (a) a statement or document indicating that the sentenced person is a national of the receiving State;
 - (b) a copy of the relevant law of the receiving State constituting the acts or omissions, on account of which the sentence has been passed in the transferring State, as if such acts or omissions were an offence under the law of the receiving State or would constitute an offence if committed on its territory;
 - (c) a statement of the effect of any law or regulation relating to the duration and enforcement of the sentence in the receiving State after the sentenced person's transfer including, if applicable, a statement of the effect of paragraph 2 of Article 8 of this Agreement on his transfer;
 - (d) the willingness of the receiving State to accept the transfer of the sentenced person and an undertaking to administer the remaining part of the sentence of the sentenced person; and
 - (e) any other information or document which the transferring State may consider necessary.

ARTICLE 5

Requests and replies

1. Requests for transfer shall be made in writing in the prescribed proforma, if any, and addressed through the central authority of the transferring State through diplomatic channels to the central Authority of the receiving State. Replies shall be communicated through the same channels.

2. For the purpose of paragraph 1 of this Article, the Central Authority shall be, in relation to India, the Ministry of Home Affairs; and in relation to Cambodia, shall be the Ministry of Interior, Kingdom of Cambodia, Phnom Penh.
3. The receiving State shall promptly inform the transferring State of its decision whether or not to agree to the requested transfer.

ARTICLE 6

Consent and its verification

1. The transferring State shall ensure that the person required to give consent to the transfer in accordance with paragraph 1(i) of Article 3 of this Agreement, does so voluntarily and with full knowledge of the legal consequences thereof. The procedure for giving such consent shall be governed by the law of the transferring State.
2. The transferring State shall afford an opportunity to the receiving State to verify that the consent is given in accordance with the conditions set out in paragraph 1 of this Article.

ARTICLE 7

Effect of transfer for the receiving State

1. The competent authorities of the receiving State shall continue the enforcement of the sentence through a court or administrative order, as may be required under its national law, under the conditions set out in Article 8 of this Agreement.
2. Subject to the provisions of Article 10 of this Agreement, the enforcement of the sentence shall be governed by the law of the receiving State and that State alone shall be competent to take all appropriate decisions.

ARTICLE 8

Continued enforcement of sentence

1. The receiving State shall be bound by the legal nature and duration of the sentence as determined by the transferring State.
2. If, however, the sentence is by its nature or duration or both incompatible with the law of the receiving State, or its law so requires, that State may, by court or administrative order, adapt the sentence to a punishment or measure prescribed by its own law. As to its

nature and duration the punishment or measure shall, as far as possible, correspond with that imposed by the judgment of the transferring State. It shall however not aggravate, by its nature or duration, the sentence imposed in the transferring State.

ARTTICLE 9

Effect of completion of sentence for the transferring State

When the receiving State notifies the transferring State under paragraph (a) of Article 12 of this Agreement that the sentence has been completed, such notification shall have the effect of discharging that sentence in the transferring State.

ARTICLE 10

Pardon, amnesty or commutation and review of judgment

- (1) The transferring State alone shall decide on any application for the review of the judgement.
- (2) Either of the Contracting States may grant pardon, amnesty or commutation of the sentence in accordance with its Constitution or other laws.

ARTICLE 11

Termination of enforcement of sentence

The receiving State shall terminate enforcement of the sentence as soon as it is informed by the transferring State of any decision or measure as a result of which the sentence ceases to be enforceable.

ARTICLE 12

Information on enforcement of sentence

1. The receiving State shall notify the transferring State:
 - (a) when the enforcement of the sentence has been completed; or
 - (b) If the sentenced person escapes from custody before enforcement of the sentence has been completed, in such cases the receiving State shall make every effort to have the prisoner arrested so that he serves the remainder of his sentence and that the prisoner be prosecuted for committing an offence under the relevant law of the receiving State on escape of prisoner.

2. The receiving State shall furnish a special report concerning the enforcement of the sentence, if so required by the transferring State.

ARTICLE 13

Transit

If either Contracting State enters into arrangements for the transfer of sentenced persons with any third State, the other Contracting State shall cooperate in facilitating the transit through its territory of the sentenced persons being transferred pursuant to such arrangements, except that it may refuse to grant transit to any sentenced person who is one of its own nationals. The Contracting State intending to make such a transfer shall give advance notice to the other Contracting State of such transit.

ARTICLE 14

Costs

Any costs incurred in the application of this Agreement shall be borne by the receiving State, except costs incurred exclusively in the territory of the transferring State. The receiving State may, however, seek to recover all or part of the costs of transfer from the sentenced person or from some other source.

ARTICLE 15

TERRITORIAL APPLICATION

1. This agreement shall apply:
 - (a) to the Republic of India, and
 - (b) to the Kingdom of Cambodiaand reference to the territory of a Contracting State shall be construed accordingly.
2. The application of this agreement to any territory, in respect of which extension has been made in accordance with paragraph 1 of this Article, may be terminated upon expiry of six months notice given by either Contracting State to the other through the diplomatic channels.

ARTICLE 16

Language

Requests and supporting documents shall be accompanied by a translation into the language of one of the official languages of the requesting State or English.

ARTICLE 17
Scope of application

This Agreement shall be applicable to the enforcement of sentences imposed either before or after its entry into force.

ARTICLE 18

Amendments

Any amendments or modifications to this Agreement agreed by the Contracting States shall come into effect when confirmed by an Exchange of Diplomatic Notes.

ARTICLE 19
Final provisions

1. This Agreement shall be subject to ratification and shall enter into force on the date on which instruments of ratification are exchanged.
2. The Agreement shall continue to remain in force until six months from the date upon which either Contracting State gives written notice to the other Contracting State of its intention to terminate it.
3. Notwithstanding any termination, this Agreement shall continue to apply to the sentenced persons who have been transferred under this agreement before the date on which such termination takes effect..

In witness whereof the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done in duplicate at New Delhi on the 8th day of December, 2007 in the Hindi, Khmer and English languages, all texts being equally authentic. In case of differences in interpretation the English text shall prevail

**For the Government of
the Republic of India**

(Shivraj V Patil)
Home Minister

**For the Royal Government of
Cambodia**

(HOR Namhong)
**Deputy Prime Minister, Minister of
External Affairs and International
Cooperation**



332. Agreement between the Government of the Republic of India and Government of Kingdom of Cambodia on Defence Cooperation.

New Delhi, December 8, 2007.

The Government of the Republic of India and the Government of the Kingdom of Cambodia (hereinafter jointly referred to as 'the Parties' and separately as a 'Party') :

Acknowledging the mutual benefits inherent in defence cooperation between the Parties;

Recognizing that the implementation of such cooperation shall be in accordance with the policies and priorities of the respective Parties, and in accordance with conditions as mutually determined from time to time between the Parties;

Desiring to further strengthen the bilateral relations between the Republic of India and the Kingdom of Cambodia;

Have agreed as follows :-

**ARTICLE 1
PURPOSE**

The aim of this Agreement is to enhance defence cooperation through the exchange of experience and knowledge between the Parties.

**ARTICLE 2
IMPLEMENTATION**

The Parties entrust the implementation of this Agreement to their respective Ministries of Defence.

**ARTICLE 3
DEFENCE COOPERATION**

1. In the field of military cooperation, the Parties may:
 - (a) exchange military training expertise and information;
 - (b) exchange military instructors/observers;
 - (c) exchange military personnel for purposes of attending military and educational courses or programmes;

- (d) exchange visits of military naval vessels, military aircraft and of their respective Armed Forces units;
 - (e) exchange intelligence and information that is mutually beneficial;
 - (f) Collaborate in other spheres of Defence Cooperation for purposes of mutual benefit.
2. On receipt of request from the Cambodian side, the Indian side will consider the following:
- (a) Upgrade maintenance and repair military equipment for the Royal Cambodian Armed Forces,
 - (b) Provide assistance of military equipment for the Royal Cambodian,
 - (c) Armed Forces on mutually agreed terms and conditions.

ARTICLE 4 OTHER ACTIVITIES

The Parties may cooperate in other defence cooperation activities not mentioned in Articles 2 and 3, including:

- (a) Reciprocal visits;
- (b) Attendance of seminars, discussions and symposia;
- (c) Cooperation in the field of defence industry and research and development wherever feasible; and
- (d) Considering and undertaking any other activity which in their opinion would promote closer cooperation between the Ministry of Defence of India and Ministry of Defence of Cambodia.

ARTICLE 5 PROTECTION OF CLASSIFIED INFORMATION

Subject to their domestic laws, the Parties shall protect classified information exchanged in the following manner:

The Parties shall not disclose any classified information obtained under this or any other agreement, other than to members of their own staff who

have been cleared to the appropriate level by their respective Governments and to whom such disclosure is essential for the purposes of giving effect to this Agreement or to any other further agreements and only after having taken all reasonable precautions to ensure that such members of staff shall at all times maintain strict secrecy. The Parties shall not use any classified information obtained during any bilateral cooperation between them to the detriment or against the interest of the other Party.

ARTICLE 6 FINANCIAL ARRANGEMENT

The financial implications in respect of cooperation in terms of this Agreement shall be dealt with on a case-by-case basis, based on the principles of mutual reciprocation.

ARTICLE 7 DISPUTES

Any dispute between the Parties arising from the interpretation or implementation of this Agreement shall be settled amicably through consultation and negotiation between the representatives of the respective Ministries of Defence. It shall not be referred to any tribunal or third party.

Pending settlement of any dispute or difference, both parties shall continue to fulfill all objectives/obligations in accordance with this understanding, except in so far as such objectives/obligations form the subject matter of the dispute or difference.

ARTICLE 8 FUTURE AGREEMENTS

In regard to any particular matter covered by the provisions of this Agreement, the Parties may enter into such further agreements of a general or a specific nature as would in their opinion promote the effective implementation of this Agreement.

ARTICLE 9 AMENDMENTS

This Agreement may be amended at any time by mutual consent of the Parties.

ARTICLE 10 TERMINATION

This Agreement shall remain in force until terminated by either Party provided

that such termination shall be in writing, subject to six (6) months' notice in advance of the intention to terminate this Agreement.

Classified information exchanged between the Parties prior to the effective date of termination shall continue to be protected under Article 5, notwithstanding the termination of this Agreement.

**ARTICLE 11
ENTRY INTO FORCE**

The present Agreement shall enter into force on the date of its signing and shall remain in force for a period of five years, and it may be further extended for subsequent periods of five years at a time, unless either of the Parties gives to the other a written notice six months in advance of its intention to terminate it before the date of its expiry.

DONE at New Delhi on the Eighth day of December 2007 in two originals each in Hindi, Khmer and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**For and on behalf of the
Government of the
Republic of India**

**For and on behalf of the
Government of the
Kingdom of Cambodia**

**(A.K. Antony)
Minister of Defence**

**(General Tea Banh)
Deputy Prime Minister,
Minister of National Defence**



CHINA

333. Press Release of the Ministry of External Affairs on the 9th round of talks on the India-China Boundary Question.

New Delhi, January 18, 2007.

The Ninth Round of talks between the Special Representatives of India and China, Shri M.K. Narayanan, National Security Adviser and Mr. Dai Bingguo, Vice Foreign Minister respectively, on the India-China Boundary Question was held in New Delhi from January 16-18, 2007. The two Special Representatives continued their discussions on a framework for the boundary settlement on the basis of the Agreement on Political Parameters and Guiding Principles. The talks were held in an open, friendly, cooperative and constructive atmosphere¹.

2. Vice Foreign Minister Mr. Dai Bingguo paid courtesy calls on the Prime Minister, the External Affairs Minister and the Leader of the Opposition in Lok Sabha on January 17, 2007.
3. Both sides agreed to hold the next round of talks between the Special Representatives in China at a mutually convenient time, which will be decided through the diplomatic channel.



1. The talks came on the heels of the meeting between Prime Minister Dr. Manmohan Singh and the Chinese Premier Wen Jiabao in Cebu, Philippines on January 14 on the sidelines of the East Asia Summit. At this meeting the two leaders agreed that the talks should take place with "greater vigour and greater innovativeness". It may be recalled that during the visit of Chinese President to New Delhi in November 2006 China agreed that an early settlement of the boundary would advance the basic interests of the two countries and therefore be pursued as a "strategic objective". "The Special Representatives shall complete at an early date the task of finalizing an appropriate framework for a final package settlement on the India - China boundary. Pending the resolution of the boundary question, both sides shall maintain peace and tranquility in the border areas in accordance with the agreements of 1993, 1996 and 2005," the November 21, 2006 Joint Declaration issued during the visit of Hu Jintao said. The eighth round of talks was held in Beijing in June 2006.

334. Remarks by External Affairs Minister Pranab Mukherjee at the inauguration of the "India-China Year of Friendship Through Tourism - 2007".

New Delhi, February 14, 2007.

Your Excellency, Mr. Li Zhaoxing,
Minister of Foreign Affairs of the People's Republic of China,
Smt. Ambika Soni, Minister of Tourism and Culture,
Distinguished Guests,
Ladies and Gentlemen.

It is matter of great pleasure for me to be here today at the launch of the "India-China Year of Friendship Through Tourism-2007."

India and China are two great civilizations and friendly neighbours with more than two thousand years of shared contacts. Over the centuries, and across the seas and deserts, our forefathers charted the legendary Silk Route between our two countries. Our two civilizations discovered each other through the tireless efforts of monks and scholars like Xuan Zang, whose memory we have just celebrated at the ceremonial opening of the Hall dedicated to his name in Nalanda in Bihar - a ceremony that was graced by the presence of my distinguished friend and colleague, His Excellency Foreign Minister Li who is here with us today. Taking inspiration from the early travelers who criss-crossed the distances between our two countries in ancient times, today we seek to recreate that pioneering spirit that brought India and China close together through the fostering of our friendship through tourism.

In recent years the all round progress made in India-China relations has been a source of satisfaction. Even while addressing outstanding issues, our decision to promote ties in all other areas of mutual benefit has been paying positive dividends. India and China today share a strategic and cooperative partnership. Our bilateral relations have a significance which is global. We are on course to achieve unprecedented developmental gains and the world is avidly following the unfolding saga of our growth. Both our countries acknowledge and welcome the progress and growth of the other and consider that their respective development will make positive contributions to Asia and the world. Our leadership has affirmed that

opportunities for development are vast for both countries and there is enough room for accommodation of both our growth trajectories. As good neighbours and partners in development, we must grow together while remaining sensitive to each other's concerns and aspirations.

The leadership of India and China has begun regular summit-level meetings and we have intensified high-level exchanges. Our desire to take our bilateral ties to a new level and to engage with each other in a more comprehensive manner is reflected in the Joint Declaration signed recently during the visit of President Hu Jintao to India in November 2006. We have established institutional mechanisms for cooperation in the areas of agriculture, finance, trade, defence, science and technology, energy and education. Soon we are going to increase the diplomatic presence in each other's countries by opening consulates in Guangzhou and Kolkata. Rapidly expanding trade and deepening economic ties are one of the positives of the improving India-China relationship. Bilateral trade reached US\$ 25 billion last year and is well on course to surpass the target of US\$ 40 billion by 2010.

Ladies and gentlemen, as two ancient and neighbouring civilizations, the people of India and China are not strangers to each other. Yet, I will not be wrong in saying that today, apart from a small academic and media community in both countries, who have occasions to travel to each other's country, there is a yawning gap in information about each other in both our countries. We have, so far, fallen short of fostering closer contacts between our peoples, contacts that could enhance mutual understanding and also increase the comfort level between the two sides. This is a challenge our policy makers must address with urgency, clarity and focus.

The decision of our two governments, to strengthen ties through tourism, taken during the visit of President Hu Jintao could not have come at a more opportune time. The Great Wall of China and our Taj Mahal, which are both represented in the Joint Logo that commemorates our Friendship Through Tourism Year, are among the most easily recognizable symbols of travel and tourism the world over. Yet not many from our two countries have seen both. The need of the hour then is to create awareness in our peoples about the two countries as tourist destinations. To this end, a detailed programme of activities has been drawn up jointly to celebrate 2007 as the "Friendship through Tourism Year". Preparations are already underway to open the China National Tourist Office in India. An Indian Tourist Office is also likely to be operational in China soon. I am confident that these two offices will contribute to strengthening tourism contacts

between the two sides. India is truly an incredible and unique tourist destination and we hope that through information dissemination and effective promotional activity we would be able to attract more and more Chinese travelers to India.

With the rise in living standards, both India and China have become impressive sources for outbound tourist traffic. It should be the endeavour of both our governments to encourage our citizens to visit each other's country. Increased tourist traffic between our two countries will help us rediscover our shared cultural heritage and bring to the fore the instinctive warmth and friendship the people of India and China feel for each other.

It is my sincere hope that this year will see India and China come even closer to each other on the wings of tourism. May the achievements of this year act as a building block and contribute significantly to further strengthening of the ties between two of the world's greatest tourist destinations. I would like to extend my very best wishes for the resounding success of the Friendship through Tourism Year.

Thank you.



335. Briefing by Official Spokesperson Navtej Sarna and the Indian Ambassador in China Mrs. Nirupama Rao on the visit of the Chinese Foreign Minister and the Trilateral Meeting between the Foreign Ministers of India, Russia and China.

New Delhi, February 13, 2007.

Official Spokesperson: Good evening everybody. Apologies for the delay. Before we come to the Chinese visit, briefly let me just tell you that tomorrow there will be the Trilateral Meeting between the Foreign Ministers of India, Russia and China. From our side, the External Affairs Minister Shri Pranab Mukherjee will be leading the Indian delegation. The Minister of Foreign Affairs of the Russian Federation Mr Sergei Lavrov and Minister of Foreign Affairs of the People's Republic of China Mr Li Zhaoxing will be leading their respective delegations. This will be the second stand-alone meeting of its nature. Earlier one was held in Vladivostok on June 2, 2005. The other Trilateral Foreign Ministers Meetings have taken place on the sidelines of the UNGA in New York in September 2002, September 2003 and September 2005 and on the sidelines of the Almaty Conference in October 2004. The Summit Meeting among the leaders of India, Russia and China took place on July 17, 2006 in St. Petersburg on the sidelines of the meetings among G-8 and outreach countries. So tomorrow, these talks will take place at eleven, there will be lunch followed by a Joint Press Interaction, approximately at two o' clock, in Hyderabad House.

The Foreign Minister of China is currently on an official visit to India at the invitation of the External Affairs Minister. He is accompanied by a high-level delegation. He arrived day before yesterday, that is February 11, in Patna and participated in the inaugural function of the Hieun Tsang Memorial Hall at Nalanda on the twelfth (of February). Today, the Chinese Foreign Minister and External Affairs Minister had a restricted meeting which I understand went on for forty-five minutes. This was followed by delegation level talks and a working lunch was hosted by the External Affairs Minister in honour of the Chinese Foreign Minister and his delegation. The total interaction lasted about two and a half hours. Tomorrow, the Chinese Foreign Minister will call on the Prime Minister and, of course, will also participate in the Trilateral Meeting, the details of which I have already given you. He will also participate in the launch of the India-China Friendship through Tourism Year, that is 2007 which has been designated for this purpose, alongwith the External Affairs Minister and the Minister of Tourism and Culture. Now I have with me

as you can see, first of all someone who is already well known to you, Ambassador to China Mrs. Nirupama Rao and Mr. Ashok Kantha, Head of our East Asia Division and I can do no better than to leave this matter in your hands. I would request Ambassador to brief you on the discussions.

Ambassador Nirupama Rao: Thank you, Navtej. Let me just give you an overview of today's discussions. I will briefly dwell on the topics discussed and then we could take a few questions. The discussions between our External Affairs Minister and the Chinese Foreign Minister earlier today were extensive and wide ranging covering bilateral, regional and global issues. Let me share with you some highlights of their discussions: The two Ministers made a positive assessment of the present status of bilateral relations and noted with satisfaction that the strategic and cooperative partnership, established during the visit of the Chinese Premier to India in 2005, was developing smoothly. In this context, they shared the view that the landmark visit of President Hu Jintao to India last November and the ten-pronged strategy agreed upon during the visit to further substantiate the India-China Strategic Partnership, had raised relations to a new level. Both sides expressed their determination to go ahead and strengthen friendship in all areas, increase mutual political trust and further develop their strategic partnership.

On the subject of high level visits, Foreign Minister Li renewed the invitation extended by the Chinese leadership to our Prime Minister to visit China during this year. Our External Affairs Minister responded to state that our Prime Minister looks forward to visiting China. Both sides will make earnest preparations for the visit.

On the subject of the boundary question, the two Ministers noted with satisfaction the progress made in the dialogue between the two Special Representatives on the boundary question. They reiterated the decision taken by the leaders of the two countries that the Special Representatives should further intensify their efforts in order to reach a political settlement of the boundary question on the basis of the political parameters and the guiding principles agreed upon in April 2005.

The two Ministers also expressed satisfaction over the growth in bilateral trade volume which as you may be aware touched US \$ 25 billion in 2006 and they hoped it would surpass the target of US \$ 40 billion by 2010. As you know this target was set during the visit of the Chinese President to India last November. They called upon the Joint Task Force of the officials of the two countries to work actively and complete the feasibility study on Regional Trading Arrangements before the end of October this year.

The two countries have a system of dialogue mechanisms and on this subject it was agreed that the Protocol on Cooperation between the Ministry of External Affairs of India and the Ministry of Foreign Affairs of China, signed during the Chinese President's visit last November will be able to institutionalize the dialogue mechanisms between the two Foreign Offices. The two Ministers agreed that meetings of these dialogue mechanisms, including Strategic Dialogue, Joint Working Group, Policy Planning Dialogue, Security Dialogue, Dialogue on Counter Terrorism and Foreign Office Consultations, will take place during this year. The calendar of meetings is presently being firmed up.

The subject of the hotline will, of course, interest all of you. You may recall that during the Chinese President's visit, it was agreed to set up a hotline between the two Foreign Ministers. The modalities in this regard have been worked out and the hotline is now in place.

You will also recall that during the Chinese President's visit, it was agreed to establish new Consulates General at Guangzhou and Kolkata in order to further strengthen institutional links. The two Ministers have agreed and directed that the new Consulates be set up within the year 2007.

India and China are celebrating and commemorating a Friendship Year through Tourism, this particular calendar year - 2007. And the two Ministers expressed the hope that cooperation in tourism and people-to-people exchanges would be intensified during the India-China Friendship Through Tourism Year 2007. Both sides will work to ensure the setting up of their respective tourism offices in each other's countries during 2007. As you also may be aware, that the Friendship Year will officially be launched tomorrow in the presence of the Chinese Foreign Minister, our External Affairs Minister and the Tourism Minister.

The liberalisation of Visa Procedures was another subject that was touched upon and there will be talks at an early date between the concerned officials of the two sides to further liberalise visa procedures to facilitate travel for tourism, business and other purposes.

People-to-people relationships is the other issue of focus and in order to further reinforce these contacts, a 100 member strong Indian youth delegation, which will be headed by Minister of Youth Affairs and Sports, will visit China in June this year, and while we receive a 100-strong Chinese youth delegation, also headed at the Ministerial-level in October.

There was also discussion on the operationalisation of the expert-level

mechanism to discuss cooperation in issues pertaining to trans-border rivers. The Indian side has already conveyed to the Chinese side the constitution of its expert team. Foreign Minister Li said that the Chinese side was also ready to establish its expert group so that cooperation in this field can be expanded.

Foreign Minister Li also conveyed to us that in order to provide greater facilitation for Indian pilgrims traveling to Kailash and Mansarovar, the Chinese side was stepping up its efforts to improve transport and medical facilities for Indian visitors. External Affairs Minister expressed his appreciation of these initiatives and also reiterated our request that an additional pilgrim route be opened up through Demchok.

As part of the BCIM (Bangladesh-China-India-Myanmar) initiative, a car rally is planned from Kunming to Kolkata and the two Ministers noted with satisfaction that this car rally will be held in the last quarter of 2007. It will take place from Kunming to Kolkata as I mentioned, via Myanmar and Bangladesh.

It is important to note that Foreign Minister Li announced his Government's support for India's bid to host the 2014 Asian Games and he also expressed China's willingness to exchange experiences with India on the holding of large sporting events. He thanked External Affairs Minister for India's support for China's hosting of the Beijing Olympics in 2008.

On regional and international issues, Foreign Minister Li expressed China's readiness to enhance communication and coordination with India on UN related issues - the SCO (Shanghai Cooperation Organisation), the East Asia Summit, the Asia-Europe Meeting, Asian Cooperation Dialogue, SAARC and other regional and international organizations related issues. He said that China will send a high-level delegation to participate in the 14th SAARC Summit in New Delhi in April this year as an observer.

Both Ministers also had a detailed exchange of views on the Six Party Talks on denuclearisation of the Korean Peninsula, Iran, the Middle East Peace Process and Afghanistan. There was a convergence of views on issues discussed and it was agreed that the two sides will maintain close consultations on the developing situation.

Question: Do you have a reaction to the breakthrough in the Six Party talks with North Korea apparently agreeing to ... (inaudible)?

Mr. Ashok Kantha: Earlier today, the Chinese Foreign Minister informed us

in advance about the likely breakthrough. As you know we also support the denuclearisation of the Korean peninsula, but at this stage we are not in a position to give a detailed response.

Question: Did we raise the issue of Anti-Satellite test by China or do we plan to raise it tomorrow?

Ambassador Nirupama Rao: Yes, I have something for you on that. Well, the Chinese side provided us with a suo-moto briefing on the recent ASAT test conducted by them. And in fact they stressed that China was against weaponisation and militarization of outer space. The test conducted, according to them, was of a purely technological and scientific nature. They added that it was not directed against any country. Our Minister emphasised India's principled opposition to the weaponisation of space and noted that it was essential to develop a broad international understanding on preserving outer space as a sanctuary from weaponisation and to guard it as the common peaceful heritage of mankind.

Question: My question relates to the opening up of trade through Nathu La. Was that discussed and are there plans to add to the number of items? And during President Hu's visit, there was some suggestion to open up trade through Arunachal Pradesh also. Can you give us some kind of update on that?

Ambassador Nirupama Rao: This is an ongoing discussion between the two governments. And the idea is, of course, to foster cross border trade and trans-border connectivity is a very important constituent of this process. This is a subject of ongoing discussions between the two sides.

Question: Has the Chinese Foreign Minister asked to open more border points apart from Nathu La?

Ambassador Nirupama Rao: There was no specific discussion related to that.

Question: Has the hotline been operationalised?

Ambassador Nirupama Rao: It is already in place. It will be used at any point of time from now.

Question: As you said that the two Ministers discussed the issue of UN reforms. Has there been a movement in China's position or any subtle modification in China's position on India's claim for a permanent seat in the UN Security Council?

Ambassador Nirupama Rao: The two sides have agreed to maintain very close consultation and contact on this issue through our Permanent Representatives at the United Nations and through our Foreign Office. The Chinese side have told us that they are well aware of our legitimate aspirations for permanent seat of the UN Security Council. They have reaffirmed yet again that they understand and support our aspirations to play a greater role in the United Nations - that is all I can tell you at the moment.

Question: Are we reassured about Chinese assurances about outer space?

Ambassador Nirupama Rao: As I said this is an ongoing consultation. We have to keep in close touch with each other. This is a process that is going to take obviously more consultation, more coordination, more contact. That is all I can say at this moment.

Question: Do you have any updates on the boundary talks after... (inaudible)?

Ambassador Nirupama Rao: As I conveyed to you in the earlier part of this briefing, this was touched upon. That is all I have to say at the moment.

Question: Are there any indications of change in the Chinese position in the Nuclear Suppliers Group discussions...(inaudible)?

Ambassador Nirupama Rao: As it happened during President Hu Jintao's visit, I would say, for both countries, that an expansion of the civilian nuclear energy programme is regarded as an essential and important component of their national energy plan, in order to secure energy security. And both sides have agreed as they did before, to promote cooperation in the field of nuclear energy consistent with their respective international commitments. If you recall during the visit of President Hu Jintao last year, in the Joint Declaration, it was clearly stated that both countries feel that international civilian nuclear cooperation should be advanced through innovative and forward looking approaches, while safeguarding the effectiveness of international non-proliferation principles. That is where we stand on this issue.

Question: The reason why I ask this question because recently when Mr. Nicholas Burns was in Beijing, he said that he raised this issue with the Chinese leadership. So I was wondering since so many cross currents are going on, if there is something that we can report on...(inaudible)?

Ambassador Nirupama Rao: For the moment this is what I have to convey to you on this issue. But the contact is ongoing, and this is work in progress.

Question: Is there any update on whether India and China will be joint bidders for energy resources in third countries?

Ambassador Nirupama Rao: Not as far as this visit is concerned. I cannot give you an update because we did not talk about joint bidding for energy projects, not in the context of this particular visit. But as you know that Mr. Murlidhar Deora, Minister for Petroleum and Natural Gas was in China recently. We have signed an MOU which talks of joint cooperation in bidding, exploration etc. Internationally, India and China are coming together in that field. So there is an institutional framework that is available today.

Mr. Ashok Kantha: As Ambassador mentioned, there is an institutional framework for that. Indian and Chinese companies are already cooperating including in third countries. They have already entered successful joint bids in third countries and this process will carry on.

Question: India had security concerns on Chinese investments here. Did Chinese Foreign Minister raise this issue during the discussions?

Ambassador Nirupama Rao: No. It did not come up in the discussions.

Official Spokesperson: We have told you before that we do not have country specific policy on this.

Question: Was there any categorical assurance from the Chinese side that they would not conduct any such tests in the future?

Ambassador Nirupama Rao: I told you that they provided that suo-moto briefing where they elaborated on their position. And we conveyed our views on the same issue quite clearly to them. That is where the issue stands at the moment. You are obviously looking at it in the context of giving and getting assurances. I really do not think that diplomatic relations are conducted that way. This is a relation between two governments, a sustained dialogue that we conduct on many of these issues, it is a multi-faceted relationship. So what you see unfolding before you is a very mature dialogue taking place between two equal partners.

Thank you.



336. Question in the Lok Sabha: "MoUs between India and China".

New Delhi, March 21, 2007.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether India has signed any Memorandum of Understandings (MoUs) with China during the last five years;
- (b) if so, the details of the MoUs signed; and
- (c) the benefits accrued to India as a result thereof?

The Minister of External Affairs (Shri Pranab Mukherjee)

- (a)-(b) The list of MOUs signed between India and China since 2002 are enclosed at Annexure.
- (c) In recent years, India-China relations have witnessed all-round progress. During the State visit of Chinese President Hu Jintao to India from November 21 to 23, 2006, the two sides issued a Joint Declaration that spelt out a ten-pronged strategy to upgrade India-China relations to a qualitatively new level, and to further substantiate and reinforce their Strategic and Cooperative Partnership. Both sides believe that comprehensive economic and commercial engagement is a core component of their Strategic and Cooperative Partnership. The broadbasing of the relationship through enhanced cultural, scientific, educational, tourism and people-to-people contacts is being actively pursued. In this context, the two sides have signed a number of bilateral documents in a wide variety of spheres. These documents which are at various stages of implementation have helped to consolidate and diversify India-China bilateral relations.

ANNEXURE

	Year	Subject Matter of MOU/Agreement
1.	2002	MOU on the Application of Phytosanitary Measures between the Ministry of Agriculture of India and the State General Administration of the People's Republic of China for Quality Supervision and Inspection and Quarantine.
2.	2002	MOU between ISRO and the China National

- Space Administration on Cooperation in the Peaceful Uses of Outer Space
3. 2002 MOU between the Department of Science and Technology of India and the Chinese Academy of Sciences on Cooperation in Science and Technology
 4. 2002 Agreement between India and China on cooperation in the field of Tourism
 5. 2002 MOU between the Ministry of Water Resources of India and the Ministry of Water Resources of China upon the provision of hydrological information of the Yaluzangbu/ Brahmaputra river in flood season by China to India
 6. 2002 Approved Tourism Destination Status
 7. 2003 Memorandum between the Government of the Republic of India and the Government of the People's Republic of China on Expanding Border Trade
 8. 2003 MOU on Cooperation between the Ministry of Law and Justice of the Government of India and the Supreme People's Prosecution Service of China
 9. 2003 Executive Programme on Educational Cooperation and Exchange between the Ministry of Human Resource Development, Government of India and Ministry of Education, China
 10. 2003 Protocol of Phytosanitary Requirements for Exporting Mangoes from India to China between the Ministry of Agriculture of India and General Administration of Quality Supervision, Inspection and Quarantine of China
 11. 2003 MOU on Simplifying Visa Procedures between the Government of India and the Government of China
 12. 2003 MOU for Enhanced Cooperation in the field of Renewable Energy between the Ministry of Non-Conventional Energy Sources, Government of India and Ministry of Water Resources, Government of China
 13. 2003 MOU for Cooperation in the field of Ocean Science

- and Technology between Department of Ocean Development, Government of India and State Oceanic Administration, China
14. 2003 MOU between the Department of Science and Technology of India and the National Science Foundation of China
 15. 2003 MOU between the Government of India and the Government of China on the Reciprocal Establishment of Cultural Centres in their Capitals
 16. 2003 Executive Programme of Cultural Exchanges between the Government of India and the Government of China for the years 2003-2005
 17. 2005 Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question
 18. 2005 Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas
 19. 2005 Report of the India-China Joint Study Group on Comprehensive Trade and Economic Cooperation
 20. 2005 Agreement on Mutual Administrative Assistance and Co-operation in Customs Matters between India and China
 21. 2005 MOU on Civil Aviation
 22. 2005 Protocol of Phytosanitary Requirements for the Export of Grape From India to China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China
 23. 2005 Protocol of Phytosanitary Requirements for Exporting Bitter Gourds from India to China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China
 24. 2005 MOU on Cooperation between the Indian Council of World Affairs, India and the Chinese People's Institute of Foreign Affairs, China

25. 2005 MOU on the Launch of the India-China Financial Dialogue
26. 2005 MOU between the Ministries of Water Resources of India and China upon Provision of Hydrological Information of the Sutlej / Langqen Zangbo River in Flood Season by China to India
27. 2005 Protocol on India China Film Cooperation Commission
28. 2005 Memorandum on the Construction of an Indian Style Buddhist Temple on the Western Side of The White Horse Temple In Luoyang, China
29. 2005 MOU for Cooperation between the Ministry of Home Affairs of India and the Ministry of Public Security of China
30. 2006 MOU for enhancing cooperation in the field of oil and natural gas
31. 2006 MOU for exchanges and cooperation in the field of defence
32. 2006 MOU on S&T cooperation
33. 2006 Protocol on the Establishment of Consulates-General at Guangzhou and Kolkata
34. 2006 Protocol on Cooperation between the Ministry of External Affairs of India and the Ministry of Foreign Affairs of China
35. 2006 Agreement on the Issue of Property of the Consulate General of India in Shanghai
36. 2006 Agreement on Bilateral Investment Protection and Promotion
37. 2006 MOU on Inspection of Export Cargo (Iron Ore)
38. 2006 Protocol on Phytosanitary Requirements for Exporting Rice from India to China
39. 2006 MOU between Forward Markets Commission of India and China Securities Regulatory Commission regarding Commodity Futures Regulatory Cooperation
40. 2006 MOU on Cooperation between the Indian Institute of Public Administration and the Central Party School of the Communist Party of China

41. 2006 Agreement on Forestry Cooperation
42. 2006 MOU between the Indian Council of Agricultural Research and the Chinese Academy of Agricultural Sciences
43. 2006 Exchange Programme on Cooperation in the Field of Education
44. 2006 MOU on Cooperation in the Conservation of Cultural Heritage
45. 2006 Agreement on Preventing Theft, Clandestine Excavation and Illicit Import and Export of Cultural Property
46. 2006 MOU on undertaking joint exploration and production and acquisition of oil and natural gas resources



337. Joint Ministerial Statement issued after the meeting between the Commerce Minister Kamal Nath and Chinese Commerce Minister Bo Xilai.

Beijing, April 16, 2007.

1. The Minister of Commerce of the People's Republic of China, H.E. Mr. BO XILAI and the Minister of Commerce and Industry of the Republic of India, H.E. Mr. KAMAL NATH met in Beijing on the 16th April 2007 to compare notes and exchange views in order to review the progress of negotiations on the Doha Development Agenda (DDA) of the WTO and to safeguard the common interests of developing country Members in the future course of negotiations. Mr. Kamal Nath briefed Minister Bo Xilai about the discussions in the G-4/G-6 meetings in Delhi on April 12, 2007.
2. The two Ministers emphasised that the economic and trade relationship between India and China, the two biggest countries in the world, is of global and strategic significance and the strategic and cooperative partnership between the two countries is consistent with their roles as two major developing countries. An increased participation and a constructive role of the two countries in all key issues, including issues of international trade, can further strengthen

their partnership for international efforts to deal with global challenges and threats.

3. The two Ministers recalled the commitment of the two countries expressed in the Joint Declaration issued during the state visit of His Excellency the President of the People's Republic of China to India in November 2006 to strengthen the cooperation of the two countries in the WTO and safeguard the legitimate rights and interests of the developing countries. Reaffirming their support for an open, fair, equitable, transparent and rule-based multilateral trading system and their determination to coordinate with other members of the WTO, especially the developing countries, in order to ensure placing the development dimension at the heart of this Round, the two Ministers expressed their sincere hope for achieving an expeditious conclusion of the Doha Development Round based on full realization of the development goals as mandated in the Doha Declaration, the Framework Agreement of July 2004 and the Hong Kong Declaration.
4. Assessing the progress of negotiations in the Doha Round at this critical juncture, the two Ministers agreed that the major issue holding back and impeding the progress in Round is the lack of movement by the developed countries in terms of early removal of distortions, caused by huge subsidies and significant market access barriers in developed countries. They were categorical that unless the outcome of the negotiations upholds the proposals of developing countries resulting in real and effective reduction of trade distorting domestic support coupled with meaningful disciplines, substantial improvement in market access by developed countries and eliminations of all form of export subsidies the aspirations of the developing countries, as built in the mandate, will not be fulfilled.
5. The two Ministers identified the other core development concerns of the developing countries that are vital to delivering the development imperatives in these negotiations and reiterated that special products (SPs) and the special safeguard mechanism (SSM) play a vital role in addressing the food security, rural development and livelihood concerns of developing countries and the outcome of Doha negotiations for these flexibilities can be sustainable only if it enables the developing countries to meet their development objectives. They rejected any renegotiation of the principles and elements embodied in the Doha mandate and any proposals on these crucial development instruments which could have the effect of undermining the ability of

developing countries to meet their food security, livelihood security and rural development needs.

6. They urged the developed member countries, in particular the major trading countries, to realize that they bear a special and specific responsibility for the outcome of the Round. They must show their readiness to implement measures that remove trade distortions and significantly open their markets. Their current positions do not provide an adequate basis for leading the agriculture negotiations to a successful conclusion. They must, therefore, significantly improve their proposals especially in the two crucial areas of domestic support and agriculture market access as well as be prepared to deliver on the development dimension of the DDA.
7. The two Ministers agreed to remain in close touch and continue the coordination between the two countries for the future WTO negotiations in order to ensure that the development interests of developing countries are secured in accordance with the mandate of the Doha Development Round.



338. Press Release of the Ministry of External Affairs on the Tenth Round of talks between the Special Representatives of India and China on the Boundary Question.

Coonoor, April 23, 2007.

The Tenth Round of talks between the Special Representatives of India and China, Shri M.K. Narayanan, National Security Adviser and Mr. Dai Bingguo, Vice Foreign Minister respectively, on the India-China Boundary Question was held in New Delhi and Coonoor from April 20-22, 2007. The two Special Representatives continued their discussions on a framework for the boundary settlement on the basis of the Agreement on Political Parameters and Guiding Principles. The talks were held in an open, friendly, cooperative and constructive atmosphere.

2. Vice Foreign Minister Mr. Dai Bingguo paid courtesy calls on the Prime Minister and the External Affairs Minister on April 20, 2007.³ Both sides agreed to hold the next round of talks between the Special Representatives in China at a mutually convenient time, which will be decided through diplomatic channels.



1. On the eve of the talks the Chinese Foreign Ministry expressed the hope that the coming boundary talks with India would be constructive and some "positive results" could emerge out of the exercise in view of a joint decision to expedite the negotiation process. The Chinese Foreign Ministry spokesman Liu Jianchao said. "We hope that the meeting would continue in a constructive way and reach consensus." There were altogether three rounds of talks on the boundary question between the two countries during the year. The first round had taken place in January and the third round took place in September. Please see Documents No. 333 and 344.

339. Extract from Prime Minister's interaction with the Indian media accompanying him on the flight from Berlin to New Delhi.

June 9, 2007

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As far as my meeting with Hu Jintao is concerned, it was a very warm meeting. We have discussed issues. I did raise the issue of border, cooperation in the management of inter state rivers, exchange of data, flood warning. Hu Jintao responded quite positively that they will sit down. they will nominate their representatives on these groups. And he also agreed that both our Special Representatives dealing with the border issue must move forward and both of us expressed that is the direction we will give to our Special Representatives. It was a very cordial meeting and President Hu was very complimentary on what has been done in recent years to bring our two countries closer to each other. So this is the sum and substance of my meetings.

* * * *

Answering a question from the media, the Prime Minister said:

President Hu Jintao quoted to me twice before using a statement which I made when I became Prime Minister, I said I do not buy this argument that India and China are in competition with each other. Both of us, if we develop in a strong way, will be a source of dynamism in the world economy and the world is large enough to satisfy the development needs of both our countries. So we have every incentive to work together in diverse ways that we can.

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340. Question in the Lok Sabha: "Construction of Road to Mt. Everest by China".

New Delhi, August 29, 2007.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether China is considering to connect its base camp located near 'Mount Everest' with road
- (b) if so, whether international environmentalists have expressed their concern over its adverse impact on the environment;
- (c) whether the Government has taken note of the progress made by China in this regard;
- (d) if so, whether the Government has raised any objection in this regard; and
- (e) if so, the details thereof?

The Minister of External Affairs (Shri Pranab Mukherjee)

- (a)-(e) Government have seen media reports stating that China plans to construct a highway on Mount Everest, which is located on the border between Nepal and the Tibet Autonomous Region of the People's Republic of China. According to these reports, construction is likely to be completed in four months (Years) at an estimated cost of US\$ 19.7 million. According to media reports, the Chinese side has said that they would be mindful of environmental concerns while doing so. Government keep a constant watch on all developments having a bearing on India's national interests and take all necessary measures to safeguard these interests.



341. Report on the 6th meeting of the Eminent Persons Group to promote India-China cooperation.

Beijing, August 31, 2007.

The sixth meeting of the India-China Eminent Persons Group (EPG) concluded in Beijing on 31st August. Comprising a cross-section of experts, including academics, media professionals, former government officials and scientists, the EPG's mandate is to make recommendations to the government on ways in which bilateral ties can be given added depth. The Indian side was led by the former Ambassador to China, C.V. Ranganathan, while the Chinese delegation was headed by the former Vice Foreign Minister, Liu Shuqing.

"The strong message that came out of our talks was that while some problems between the two countries may persist both sides attach great importance to ties with each other," said Mr. Ranganathan, leader of the Indian delegation. The EPG met Chinese Foreign Minister Yang Jiechi in what Mr. Ranganathan described as a highlight of the visit.

Replying to a question by N. Ram, Editor in Chief of *The Hindu* and a member of the EPG, on China's stance on the India-U.S. nuclear deal, Mr. Yang said it was ready to "explore cooperation with all countries for the peaceful use of nuclear energy in accordance with the rules of the IAEA [International Atomic Energy Agency].

"Mr. Yang said both countries should "not close their eyes to the reality" that some quarters within their respective governments had "their eyes trained to the West at the European continent and East to the United States." However, "I believe opportunities are right here in front of us in Asia, China and India."

The Foreign Minister said, "India's development in every aspect is in the interest of China and vice versa," stressing that the ties between the two countries should transcend the bilateral aspect and extend to having "regional and international impact."

The two-day EPG discussions covered a gamut of topics. On the political front, the Chinese side flagged concerns over the proposed quadrilateral exercises in the Bay of Bengal involving the Navies of India, the United States, Japan and Australia.

The Indian delegation reassured the Chinese that the initiative was not aimed against China or any other country and emphasised the importance of de-

hyphenating India-U.S. or India-Japan relationship with that of India-China¹.

On the economic front, it raised the issue of India's growing trade deficit with China as well as highlighted the need for a more diversified basket of Indian exports. The concern over the Chinese using non-tariff barriers against Indian agricultural exports was also flagged. The Chinese delegation recommended that India give China full Market Economy Status (MES). Both sides, however, expressed satisfaction at the pace of growth of bilateral trade. During the EPG's meeting with Mr. Yang, he said he was confident that bilateral trade would cross the \$30-billion mark by the year-end.

In addition, a variety of proposals was put forth by both sides to enhance cooperation in the education, cultural and scientific fields. A proposal to establish a joint study on climate change was made. At the end of the talks, Mr. Ranganathan emphasised that making the proposals alone was not enough to ensure forward momentum in ties even if they were accepted and found a place in high level accords.



1. When Prime Minister Manmohan Singh and President Hu met in Berlin on the sidelines of the G-8 Conference in June the latter praised Dr. Singh for his vision, insight and positive attitude that had contributed to a better understanding between the two nations. In response, Dr. Singh had said, "Our Government and I speak for all people regardless of their political affiliation, [and] want the strongest relationship with China. China is our greatest neighbour, and it has been the constant endeavour of my Government to do everything in our power to cement this relationship." Briefing the media on the substance of the half-hour talks, Foreign Secretary Shiv Shankar Menon said the two leaders expressed satisfaction at the developments since they last met in November 2006 in New Delhi. Trade had grown 56.8 per cent in the first four months of 2007, and had crossed \$11.4 billion. "We are well on track to doubling trade to \$40 billion a year by 2010." Mr. Menon said the two leaders exchanged views on subjects such as climate change. "There was an identity of views on most of the issues," he said, although in response to a question whether the Arunachal Pradesh issue was discussed, he said neither side had raised the subject. Mr. Hu renewed his invitation to Dr. Singh to visit China, which was accepted. Since the May 24-25 Manila meeting of the US, Australia, Japan and India, New Delhi was quite conscious of Chinese apprehensions that it was ganging up against Beijing. Prime Minister anxious to clear the misunderstanding, explained to President Hu in Berlin "that there was no question of grouping up (against China)" and added "we (the quadripartite) met to exchange views on developments from our experiences as democracies...there was no security implication in the quadripartite group." Prime Minister felt that President Hu was satisfied with what he said. This piece of information was disclosed by Prime Minister himself on June 25 after releasing a book at his Race Course Road residence. The genesis of the quadrilateral meeting may be found in the discussions that Prime Minister had with the Japanese Prime Minister Abe during his visit to Tokyo in December 2006. The latter had proposed a quadrilateral meeting and Prime Minister seemed open to the idea. The Joint Communiqué issued at the end of his visit to Tokyo inter alia suggested: "The two leaders share the view of the usefulness of having dialogue among India, Japan and like-minded countries in the Asia-Pacific region on themes of mutual interests. The two Governments will consult on the modalities."

342. Extract from the Speech of External Affairs Minister Pranab Mukherjee at the Korean Institute of International Affairs and National Security in Seoul on the theme of "India's Look East Policy".

Seoul, September 17, 2007.

Our engagement with China is broad and multifaceted. Trade and investment are the great drivers of the new relationship. We are confident that our "Strategic & Cooperative partnership" will mature and steadily develop. The leaders of both countries recognize that co-existence and cooperation is the wise course of action, and sensitivity to mutual aspirations is the underpinning for building confidence and trust. There is enough space and opportunity for both of us to grow and develop, and to bring benefit not only to us, but also for other partners in Asia¹.



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1. Answering question at the end of the talk, External Affairs Minister said he did "not visualise any constraints" on the development of "bilateral relations" between India and the U.S. in the present context. At the same time, India was "confident" that its "Strategic and Cooperative Partnership" with China "will mature and steadily develop." Asked about the possible impact of the emerging U.S.-India equation on China's ties with New Delhi, Mr. Mukherjee said: "There is no question of cooperation between India and the U.S. to act as some sort of containment of any country, including China." Trade and investment "are the great drivers of the new relationship" between India and China. "The leaders of both countries recognise that co-existence and cooperation is the wise course of action; and sensitivity to mutual aspirations is the underpinning for building confidence and trust. There is enough space and opportunity for both of us to grow and develop and to bring benefit not only to us but also for other partners in Asia." Differences, including those over the boundary question, "did not stand in the way of investment and trade." India-China trade now stood at \$30 billion, and he was confident that they would be able to surpass the \$40-billion target set for 2010.

343. Press Release of the Ministry of External Affairs on the visit of Foreign Secretary Shivshankar Menon to China.

New Delhi, September 18, 2007.

Indian Foreign Secretary (FS) Shri Shivshankar Menon is in China for discussions with the Chinese Government on issues of mutual interest to India and China as they seek to consolidate their Strategic and Cooperative Partnership. Today Foreign Secretary called on State Councillor Tang Jiaxuan, Foreign Minister Yang Jiechi and held discussions with Assistant Foreign Minister He Yafei. The discussions covered further steps to improve and consolidate their bilateral relations, regional and international issues. The discussions were positive, constructive and fruitful.



344. Press Release on the 11th Round of the Special Representative Talks on India-China Boundary question.

Beijing, September 26, 2007.

The 11th Round of the Special Representatives Talks on India-China boundary question was held in Beijing from September 24-26, 2007. The Special Representatives of the two countries, Mr. M.K. Narayanan, National Security Adviser, and Mr. Dai Bingguo, Vice Foreign Minister, held useful and positive discussions on the framework for the settlement of the India-China boundary question. The two sides agreed that the next round of talks would be held in Beijing. The specific dates would be decided through diplomatic channels.



1. Days before the third round of talks, the Chinese Premier Wen Jiabao in an interview to the Press Trust of India in Beijing on August 29 expressed confidence that the two countries can find a solution to the border problem. This was the third meeting of the Special Representatives in the current year. "Undeniably there are some outstanding issues between China and India but we have established guiding principles to seek solutions to these issues," Premier Wen said and added "I believe that as long as the two sides demonstrate sincerity and patience and uphold the principles of mutual respect, mutual benefit and mutual understanding, we are bound to find solutions to this issue. Both China and India value universal love and harmony." The Chinese leader said that both he and Prime Minister Manmohan Singh had repeated on many occasions that the development of the two countries was "each others' opportunity rather than a threat". It may be recalled that External Affairs Minister Pranab Mukherjee had on June 16 in Shillong responding to questions from journalists on Chinese claim to Arunachal Pradesh had said that he had made it clear to his new Chinese counterpart that "any elected government of India is not permitted to by the provisions of the Constitution to part any part of our land that sends representatives to the Parliament." He had said "The days of Hitler are over. After the second world war no country captures land of another country in the present global context. That is why there is a civilized mechanism of discussion and dialogue to sort out border disputes. We sit around the table and discuss such disputes to resolve them." Mr. Mukherjee was speaking to journalists on the sidelines of a seminar on "Look East Policy" organized by the Public Diplomacy Division of the Ministry of External Affairs in Shillong. He however said other bilateral issues such as trade and commerce with China could not be kept pending till the resolution of the border dispute with China. Earlier on June 3 Indian Defence Minister A.K. Antony had expressed satisfaction that "there is, by and large, peace and tranquillity along the India-China border, even though there is no well-defined Line of Actual Control (LAC)." He was replying to journalists questions on the sidelines of the Sixth Asia Security Conference in Singapore. The Conference had been organized by the International Institute for Strategic Studies, London. Discounting the "minor aberrations" that might take place "here and there" along the LAC, Mr. Antony hailed the latest bilateral accord on the army-to-army joint exercise as "a major breakthrough." While in Singapore the Minister briefly met Lieutenant General Zhang Qinsheng, Deputy Chief of the General Staff of the People's Liberation Army. He emphasised that Army Chief J.J. Singh, who recently visited China and firmed up the accord on joint exercise, was indeed given "a rousing reception at the highest level."

345. Report on the meeting of External Affairs Minister Pranab Mukherjee with the Chinese Foreign Minister Yang Jiechi.

Harbin, October 25, 2007,

India and China have established a Working Group to prepare a framework for the settlement of the boundary issue. External Affairs Minister Pranab Mukherjee made the announcement at a press conference in Harbin on October 25. The 11th round of talks between the Special Representatives of India and China was successful and they decided to set up a Working Group to prepare the framework, Mr. Mukherjee said after a 50-minute meeting with his Chinese counterpart, Yang Jiechi.

“Let us wait for the recommendations of the Working Group,” said Mr. Mukherjee, who was in this northeast Chinese city to attend the third standalone trilateral meeting of Foreign Ministers of India, China and Russia. The progress on the boundary issue comes ahead of the visit of Prime Minister Manmohan Singh later this year¹.

1. When the correspondent of the Press Trust of India called on Premier Wen Jiabao on August 18 to make his farewell call before leaving for India after a stint of eleven years in Beijing, the Chinese premier made a very warm reference to his contributions to India – China friendship which also underlined the relations between the two countries. He said “China and India are friendly nations and both countries enjoy more than 5,000 years of civilization. Our combined population account for more than 40 per cent of the world’s total. I believe it is fair to say that human progress could only be possible with the development and progress of China and India. The two countries not only have a long history but also enjoy a time-honoured history of friendly exchanges between the two sides. I believe that this is not something that is often seen in human history. During my visit to your country in 2005, the two countries established strategic and cooperative partnership for international peace and prosperity. In the past more than two years, significant progress was registered between the two sides in political, economic, cultural, scientific, technological areas and people-to-people exchanges. In 2006, the trade volume between the two countries reached 25 billion US dollars. This figure is expected to surpass 30 billion US dollars this year. It is the vision of the leaders of the two countries that this figure will reach 50 billion US dollars by 2010. China and India have also mutually hosted the Year of Culture in each others countries. The dynamic cultural exchanges between the two sides have increased the mutual understanding and friendship between the two peoples.... Both Prime Minister Singh and I repeated on many occasions that China’s development and India’s development are each others opportunity rather than a threat. Only with the development of both China and India can there be the possibility of ushering in a true century of Asia and can Asia enjoy comprehensive development in a real sense. I once made a remark, a remark that has become well-know among the Indian people, i.e. the two countries enjoy more than 2,000 years of friendly exchanges and for those times of unpleasant memories between the two countries only lasted two to three years. That is why I say friendship is the mainstream of China-India relations. Undeniably there are some outstanding issues between China and India but we have established guiding political principles to seek solutions to these issues. I believe that as

The talks on the boundary question were held in Beijing from September 24 to 26. The Special Representatives — M.K. Narayanan, National Security Adviser, and Dai Bingguo, Vice-Foreign Minister — held “useful and positive” discussions, the Indian side said last month.

The boundary issue has hampered the development of bilateral ties, with frequent reports of incursions. Unable to find a negotiated settlement through diplomatic channels, India and China appointed Special Representatives in June 2003 to address the issue.

The meeting between Mr. Mukherjee and Mr. Yang also touched upon Dr. Singh’s visit to China, External Affairs Ministry spokesman, Navtej Sarna said. The Ministers also looked at the possibilities of increasing bilateral trade, which has been galloping at over 30 per cent in recent times. However, China enjoyed a growing trade surplus, running into over \$4 billion in the first six months of this year, causing concern in New Delhi.



long as the two sides demonstrate sincerity and patience and uphold the principles of mutual respect, mutual benefit and mutual understanding, we are bound to find solutions to this issue. Both China and India value universal love and harmony. The visit to be paid to China by Prime Minister Singh within this year is an important diplomatic event in China-India relations. It is also a big event in the development of China-India relations. We are now making vigorous preparations for the visit to ensure that the visit will be a success. Prime Minister Singh and I have said before that when the two of us shake hands, the eyes of the entire world on us.” (The visit of Prime Minister Manmohan Singh took place in January 2008).

346. Briefing Points by Official Spokesperson on Prime Minister's meeting with Chinese Premier Wen Jiabao.

Singapore, November 21, 2007

- Prime Minister had a bilateral meeting with Premier Wen Jiabao of the People's Republic of China today. This is their second meeting this year. They had earlier met at the Second EAS in Cebu in January. The meeting was marked by cordiality and friendship. The two Prime Ministers reiterated their readiness to take the India-China Strategic and Cooperative Partnership for Peace and Prosperity to a new level. Premier Wen conveyed that friendship with India is the strategic and long term objective of China. Prime Minister told Premier Wen that India attaches great importance to our partnership with China, and is resolved to ensuring the comprehensive development of bilateral relations for mutual benefit and on the basis of mutual sensitivity to each others' concerns. They reiterated their readiness to see a fair, reasonable and mutually acceptable solution to the Boundary Question and expressed satisfaction at the progress that is being made by the Special Representatives in this regard.
- The two Prime Ministers discussed opportunities that exist for furthering cooperation in regional and multilateral forums on global issues such as climate change and energy security. Premier Wen was forthcoming and supportive of international civil nuclear energy cooperation with India.
- Premier Wen conveyed that the Chinese Government and people were eagerly awaiting the visit of Prime Minister to China. Prime Minister said that he is looking forward to his visit early next year, and expressed his confidence that his visit will further strengthen the friendly relations between the peoples of the two countries¹.



1. On November 21 the Chinese Foreign Ministry issued a press release on the meeting between the two leaders. It text reads:
"On November 21, 2007, visiting Chinese Premier Wen Jiabao met with Indian Prime Minister Manmohan Singh in Singapore. Wen told Singh that since their meeting early this year, China-India strategic cooperative partnership has been further enriched and developed and the agreements reached by both sides are being implemented, with which the Chinese side expressed satisfaction. The two countries are important neighbors to each other, as well as large developing countries, said Wen, adding that long-term

friendship, mutually beneficial cooperation and common development between the two countries will have a profound impact on Asia and the world at large. Facts prove that the development of friendship and cooperation between China and India has brought pragmatic benefits to the two peoples and has promoted South-South cooperation as well as peace and development in the world, Wen said. The Chinese premier noted that his country is willing to join hands with India to advance the ten strategies on bilateral cooperation and push the bilateral strategic partnership to a new height.

"We are happy to see that both sides have the willingness and resolve to settle their order issue left over from history," Wen said. Up to now, the special representatives of both sides on the border issue have held 11 rounds of pragmatic and effective consultations, he said. So long as the two countries continue to make joint efforts and conduct friendly consultations in the principle of mutual understanding and accommodation, they will finally find a resolution acceptable to both sides, said Wen. Singh said the relations between India and China are more than bilateral ties, as they will influence peace, stability and prosperity of the whole world. India and China are not adversaries but friends and partners. India attaches great importance to developing the comprehensive cooperation ties with China from a strategic perspective and is ready to maintain high-level exchanges with China, he said. India is willing to further cooperation with China in the fields such as economy, trade and personnel exchanges, and strengthen bilateral contacts and cooperation in the international affairs, he added.

Singh said it is the Indian government's political will to settle the border issue and his country will make joint efforts with China to overcome difficulties and push forward the negotiation over it under the political principles reached by the two countries. The two prime ministers also agreed to strengthen coordination and cooperation on climate change and energy security and to join hands in coping with problems and challenges faced by both sides."

The next day at his press conference in Beijing the Chinese Foreign Ministry Spokesman when asked if the two countries planned military exercises said: "... according to the Memorandum of Understanding on the Exchanges and Cooperation between the Defence Ministries of China and India as well as the consensus between the leaders of the two militaries, there will be a joint training. Competent authorities will discuss the specifics. China hopes the training will enhance the mutual understanding, friendship and build trust between the two armies and enable them to contribute to regional peace, stability and prosperity. This joint training is not targeted at any third party." The daily *Hindu on November 22* in a report from its correspondent based in Singapore quoted Indian and Chinese officials to have reiterated their willingness to find "a fair, reasonable and mutually acceptable solution" to the "boundary question." (Dr. Singh drove to Mr. Wen's hotel, The Ritz Carlton Millenia, for a brief, half-hour interaction in the Chihuly Room.) According to the Indian officials accompanying Dr. Singh, the two leaders expressed satisfaction over the progress achieved so far by the designated Special Representatives for sorting out the dispute. While they expressed readiness to take "the India-China Strategic and Cooperative Partnership for Peace and Prosperity" to the next higher level, Mr. Wen told Dr. Singh that friendship with India was China's strategic and long-term objective. They also talked about enhancing cooperation between the two countries in regional and multilateral forums on issues such as climate change and energy security. According to the Indian officials, Mr. Wen was "supportive of international civil nuclear energy cooperation with India." (The Prime Minister visited China from 13th to 15th January 2008.

347. Question in the Rajya Sabha: "Chinese intrusion in India".**New Delhi, November 22, 2007.****Will the Minister of External Affairs be pleased to state:**

- (a) whether it is a fact that China refuses to recognize the Mac Mohan Line as the border between India and China;
- (b) whether it is also a fact that a number of Chinese intrusions have been taking place particularly in the State of Arunachal Pradesh; and
- (c) if so, the details of such intrusions and the initiatives taken by Government to resolve the same?

The Minister of External Affairs (Shri Pranab Mukherjee):

(a) Yes.

(b)-(c) There is no commonly delineated Line of Actual Control (LAC) between India and China. From time to time, on account of differences in the perception of the LAC, situations have arisen on the ground that could have been avoided if we had a common perception of the LAC. Government regularly take up such perceived violations along the LAC with the Chinese side through established mechanisms including the Joint Working Group, the Expert Group, border personnel meetings, flag meetings and normal diplomatic channels¹.

Both sides have also agreed to an early clarification of the LAC. The Joint Declaration issued during the visit of Chinese President to India in November last year stated, "It was agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters as soon as possible."



1. Interestingly even before the question of Chinese intrusion came up for answer in Parliament, the Indian Air Force Chief Air Chief Marshall F. H. Major had on November 19 speaking in Shillong sought to allay any threat from China and said there was "misunderstanding of the location of the India-China boundary." Replying to queries from journalists on the reported Chinese intrusions, he said, "Intrusion is a wrong word to be used. Yes, there is difference of perception of the boundary between both the countries."

The similar question on "intrusions" too had come up in the Rajya Sabha on November

21 in the name of the Defence Ministry, and the Defence Minister replied: "The perceptions of Line of Actual Control (LAC) of both India and China overlaps at many places on India-China border. From time to time, on account of differences in the perception of the LAC, situations have arisen on the ground that could have been avoided if we had a common perception of the LAC. In order to address this issue, the matter has been taken up at appropriate levels in the Government. The two sides have signed the Agreement on the Maintenance of Peace and Tranquility along the line of Actual Control in 1993, Agreement on Confidence Building Measures (CBM) in the Military Field in 1996, Protocol on Modalities for the implementation of CBMs in Military Field along the LAC in the India-China Border Areas, in 2005 and memorandum of Understanding in 2006. As a follow up to this MoU, the Annual Defence Dialogue between the two sides was held at Beijing during 12-13 November 2007. Government regularly takes up such perceived violations along the LAC with the Chinese side through established mechanisms set up under these Agreements / Protocol including the Joint Working Group, the Expert Group border personnel meetings, flag meetings and normal diplomatic channels. Mechanism to address instances of intrusions along the LAC are well established. Peace and tranquility has been maintained on the border areas." The reports of 'intrusions' however, persisted. In fact there were reports that the Chinese had destroyed Indian bunkers in Sikkim and Arunachal Pradesh but Defence Minister A.K. Antony on December 1, personally refuted reports that China destroyed two forward posts and bunkers on the Sikkim border last month (November). Answering queries from journalists during his visit to Gangtok, Mr. Antony said, "There was no incursion by the Chinese troops in Indian territory, be it in Sikkim or Arunachal Pradesh." He however added that there might have been isolated incidents on the borders arising out of the difference of perception on territorial jurisdiction between the two countries and expressed confidence that all minor problems and differences of perception would be resolved through negotiations. Describing China as "our strategic partner," Mr. Antony said the armed forces of the two countries would participate in a joint military exercise in the second half of December in order to understand each other better.

These exercises between the army personnel of India and China took place in the third week of December. "A company-level strength of about 100 officers and men, drawn from the 15 Jammu & Kashmir Light Infantry took off from Guwahati to take part in 'Hand-in-hand 2007' joint operations by troops from both sides in anti-terrorist operations in an urban setting," Additional Director-General (Public Information) in the Army Headquarters, Brigadier S. K. Chatterjee, told journalists on December 19. He said the objective was to "build and promote positive military relations, inter-operability and to undertake joint operations in a counter-insurgency/counter-terrorist environment for peace in the international arena." The Indian soldiers participated in the exercises with their own light weapons and much of the heavy equipment like tanks, helicopters and unmanned aerial vehicles as well as some heavier arms were provided by the Chinese. At the end of the exercises Deputy Chief of Staff of the Indian Army Lt. Gen. Susheel Gupta, who also headed the observers' group offered at the joint meeting with his counterparts in Kunming to hold similar exercises in India next year. Describing the exercises as "a great event", Lt. Gen. Gupta said, "We look forward to more such engagements in future". Responding to the offer Lieutenant General Ma Xia Tian, Deputy Chief of General Staff of the PLA, said, "We will give a serious and careful study of your suggestion and give you the feedback." On December 27 the Spokesman of the Chinese Ministry of Foreign Affairs in his media briefing in Beijing termed the first-ever joint military training exercise as "helpful in building mutual trust and promoting cooperation," and favoured an increase in such activities to improve stability and security in the region. "China and India are important countries in Asia and two important neighbours. We hope such activities will be increased so that they can be helpful in improving the stability and security of this

region," Mr. Qin Gang said. He described the exercise as anti-terrorism drill held in Yunnan province, South-west China.

In New Delhi the External Affairs Minister Pranab Mukherjee (on November 27) described the joint military exercise with China and such exercises with other countries as part of a security strategy and said they would continue. Talking to reporters on the sidelines of the 80th annual conference of the Nikhil Bharat Banga Sahitya Sammelan, which he presided over, Mr. Mukherjee said the military exercises also showcased the prowess of the country's defence forces.

INDONESIA

348. Report on the meeting of the first India - Indonesia Joint Defence Cooperation Committee.

Jakarta, June 14, 2007.

India agreed to enhance its military-to-military engagement with Indonesia, as they concluded their first-ever Joint Defence Cooperation Committee (JDCC) meeting in Jakarta on June 14.

Service-to-service talks, involving the navies and air forces as also the armies of the two maritime neighbours, are now possible for the first time.

The two sides identified procurement and "co-production" of defence equipment as promising areas for cooperation on the basis of feasibility and the principle of "maximising comparative advantages."

Indicating this, the Indian delegation chief and Defence Secretary, Shekhar Dutt, said that the talks marked the beginning of a dialogue in "an atmosphere of hope, trust, and confidence."

Elaborating on Indonesian Defence Minister Juwono Sudarsono's comment, in an interview to The Hindu, about Jakarta's interest in accessing New Delhi's know-how in "network centric warfare," Mr. Dutt said the reason had to do with India's expertise in information technology. It was for the professionals on both sides to discuss the issue, while the JDCC now "provided a framework" for broad-spectrum cooperation in the defence domain. A checklist could now be drawn up for practical measures.

The current regime of coordinated patrolling by the navies of the two countries for anti-piracy and anti-terror operations could be "enhanced or upgraded" on the basis of professional assessments, Mr. Dutt said.

On India's possible role in the maintenance of security along the busy trade route of Malacca Straits, he expressed India's readiness to help, depending on "whatever is identified by Indonesia for its capacity-building."

Prof. Juwono had already indicated that external powers could extend "technical assistance" for ensuring security along this waterway.

The Indonesian delegation to the JDCC meeting was headed by Defence Department Secretary General, Lt. Gen. Sjafrie Sjamsoeddin. The Indian team included Ambassador Navrekha Sharma and the Deputy Chief of Mission, T.S. Tirumurti, besides a number of top military officials.



349. Briefing by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Indonesia and Singapore.

New Delhi, June 15, 2007.

Official Spokesperson : We talked about the Look-East policy briefly yesterday. So, I do not think I need to go into more details. But, essentially if you want I can actually brief you a little bit to set the context for External Affairs Minister's visit to Indonesia and Singapore which begins on the 17th and goes on till the 20th of this month.

As you know, developing our ties with the ten member-countries of ASEAN has been a principle objective of our Look-East policy which was conceived in the 90s and has been pursued consistently and actively for the last decade and a half. Multi-faceted relationships have been developed with the countries of the ASEAN region, both in the bilateral context as well as in the multilateral context. India is a full dialogue partner of ASEAN since 1996 and an annual summit partner since 2002. India has participated in the East-Asia Summits held in Kuala Lumpur and Cebu in December 2005 and January 2007.

Total volume of India's trade with the sixteen East-Asia Summit countries is now US\$ 80.1 billion as per the 2006 figures. Besides, of course, the ASEAN multilateral fora and their internal multilateral fora like the ARF, we also engage with the countries of the region as part of the Mekong-Ganga Cooperation and the BIMSTEC Forum. The Mekong-Ganga Cooperation comprises of six countries - that is India and five ASEAN countries Cambodia, Lao PDR, Myanmar, Thailand and Vietnam. BIMSTEC has India, Bangladesh, Bhutan, Nepal, Sri Lanka, Myanmar and Thailand. This is the broad context for the Look-East policy details of

which you have sufficiently already. Yesterday's briefing is up on the website.

The first leg of the visit will be Jakarta, Indonesia. The External Affairs Minister reaches there on the 17th evening and departs from there on the 18th evening. He will be co-chairing the third India-Indonesia Joint Commission meeting along with the Indonesian Foreign Minister Mr. Wirajuda.

The relationship between India and Indonesia is endowed with certain unique characteristics. There is considerable commonality in size, diversity, historicity, civilization, and also geographical contiguity in a sense because from Andaman and Nicobar, Indonesia is about 100 kilometres away. India and Indonesia also share the experience of being large pluralistic Asian democracies. Over the years Indonesia has been a key strategic partner of India in the ASEAN and particularly in the Look-East policy.

In April 2005, Prime Minister Dr. Manmohan Singh had visited Jakarta to participate in the Afro-Asian Summit and the Golden Jubilee commemoration at Bandung. President Yudhoyono of Indonesia visited India in November 2005. Vice-President of Indonesia, Mr. Jusuf Kalla visited India in January this year.

During the Prime Minister of India's visit, India and Indonesia had opened a new chapter in bilateral relations by establishing the new strategic partnership and identifying areas for enhancing cooperation for the mutual benefit of both countries. The Joint Commission meeting will help to review the progress across the range of objectives in the bilateral relations in the next two years. We will cover areas such as economic and trade relations, pharmaceuticals, health, banking, investment, industrial cooperation, agriculture, tourism, culture, science and technology, space technology, IT, defence and security matters, consular issues and so on.

Indonesia is today India's third largest trade partner in the ASEAN with the trade figures at US \$ 4.79 billion in 2006, which actually represented a 22 per cent increase over the previous year. The target is US\$ 10 billion for 2010. This was set by the second Joint Commission which was held in New Delhi in March 2005. There are several major Indian manufacturing companies involved in joint ventures in Indonesia. There are several Indian infrastructure companies who would be very keen to work in Indonesia along with Indonesian infrastructure companies working in India. There is a JWG on counter-terrorism with Indonesia. That has started functioning. It was established under a MoU in July 2004.

EAM will then go on to Singapore. On the 19th, he has a full day of

engagements. He will be meeting the Foreign Minister. He will also be calling on the President and senior Minister Goh Chok Tong. Next day he will be calling on the Deputy Prime Minister and the Prime Minister. He will also be launching the Indian Business Forum in Singapore. He would also be releasing a book - the 12th volume of Chalo Dilli - which is the 12th volume of Netaji's collected works.

In terms of some specifics about the India-Singapore relationship, Singapore is among our top five trade and investment partners currently. There is considerable convergence on security and defence cooperation issues. Singapore, if you will recall, has with India the first comprehensive economic cooperation agreement which provides a comprehensive framework to take forward this relationship in the economic and trade aspect. Singapore incidentally was one of the first countries to recognize the full implications of India's economic reforms and has been a strong partner in the economic area ever since. The Business Forum's launch will be particularly important from this aspect. There are about two and a half thousand Indian companies which are functioning in Singapore making them the fourth largest foreign presence in that country.

We will keep you briefed as the visit goes along. It is difficult to brief you on each of the things that will happen at the moment. I think it will have to be on a day-to-day basis. You can keep a look out for our press briefs.

I have several other things actually to move on to. So, if there is any question related to this visit, then we can move on from here.

Question : Indonesia is also looking for increased defence cooperation with India. Will that also be an issue?

Official Spokesperson : Yes, defence cooperation is an area. The Indonesian Parliament has ratified the defence cooperation agreement which was signed by the two countries in January 2001. Possible areas could include training, supply and repairs, spares, and so on.

Question : Is there any proposal for further patrolling of the Malacca Straits?

Official Spokesperson : You know that the maritime security of sea lanes of communication is of vital concern. It is a common concern both for India and countries of South East Asia, East Asia and the Pacific. Discussions on this have been held in the past. Naturally the proposals of what can actually be done will depend upon the littoral states.



350. Briefing on External Affairs Minister Pranab Mukherjee's meeting with Indonesian President.**Jakarta, June 18, 2007.**

- External Affairs Minister Shri Pranab Mukherjee was received this evening by President of Indonesia Mr. Susilo B. Yodhoyono. The discussions lasted half an hour and were held in an extremely friendly and cordial atmosphere.
- EAM conveyed greetings of the Indian leadership to the President of Indonesia and briefed him on the fruitful discussion that he has had with his Indonesian counterpart. He also briefed him on the trends and opportunities of the Indian economy and the possibilities of greater economic cooperation between the two countries.
- President Yudhoyono recalled his visit to India in 2005 and reiterated his government's commitment to fully implement the new strategic partnership between the two countries. He noted tremendous strides made by the Indian economy and outlined several areas for further cooperation. These included the field of energy, infrastructure building, trade, IT, health and medicine, defence cooperation etc.
- EAM assured President of the fullest cooperation of the Indian side to move ahead in these areas.



351. Briefing points by Official Spokesperson on External Affairs Minister's visit to Indonesia.

New Delhi, June 18, 2007.

- EAM Shri Pranab Mukherji had a packed programme in Jakarta today.
- He had an early morning meeting with Defence Minister Juwono Sudarsono. During this meeting, they discussed the close political and cultural commonalities between the two countries, the security situations of the two maritime neighbours, and possibilities of greater cooperation in the defence field.
- The third Joint Commission Meeting was preceded by a one-on-one meeting between EAM and Foreign Minister Dr. N. Hassan Wirajuda. The Joint Commission Meeting included a wide ranging review of bilateral relations, political high level contacts between Asia's two largest pluralistic democracies, trade and economic relations, investment possibilities, defence cooperation, space cooperation, IT, S & T etc. Reports of the senior officials were approved and minutes of Joint Commission were signed by two ministers. Detailed plan of action for the implementation of the new strategic partnership agreed during 2005 Indonesian President visit is annexed to the minutes of the JCM.
- The Joint Commission Meeting was held in the historic government building Pancshila in which the founding fathers of Indonesia had debated the draft Constitution during May- August 1945
- Joint Press Conference was held by the two Foreign Ministers. In response to one question regarding security of Malacca Straits, EAM said, "We do feel the necessity to ensure the security of the sea lanes of the Indian Ocean, through which 60% of the world's energy trade passes. There is a growing presence of terrorists and non-state actors requiring attention of littoral states and the international community so that mercantile trade and supply of energy can be ensured. We always keep in view sensitivities of the littoral states whatever role they expect us to play, we will be glad to do so."
- EAM also called on Vice President Jusuf Kalla. Discussions included economic cooperation possibilities, investment possibilities, importance of institutional arrangements between the two countries, greater possibilities of training etc.

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(In a separate briefing the same day the Spokesperson gave the additional information about EAM's programme in Jakarta).

- EAM conveyed greetings of the Indian leadership to the President of Indonesia and briefed him on the fruitful discussion that he has had with his Indonesian counterpart. He also briefed him on the trends and opportunities of the Indian economy and the possibilities of greater economic cooperation between the two countries.
- President Yudhoyono recalled his visit to India in 2005 and reiterated his government's commitment to fully implement the new strategic partnership between the two countries. He noted tremendous strides made by the Indian economy and outlined several areas for further cooperation. These included the field of energy, infrastructure building, trade, IT, health and medicine, defence cooperation etc.
- EAM assured President of the fullest cooperation of the Indian side to move ahead in these areas.
- EAM delivered an address on India's growing engagement with East Asia at a function jointly organised by the Indian Embassy and Indonesian Council for World Affairs.



352. Remarks by External Affairs Minister Pranab Mukherjee at the Joint Press Conference with Foreign Minister of Indonesia N. Hassan Wirajuda.

Jakarta, June 18, 2007.

The Foreign Minister of Indonesia H.E. Mr. N. Hassan Wirajuda and I had very good discussions and reviewed the progress that we have made in our bilateral relations since the establishment of the New Strategic Partnership between India and Indonesia during the visit of the President of Indonesia H.E. Susilo Bambang Yudhoyono to India in November, 2005.

I expressed our deep appreciation for the very warm welcome that I and members of my delegation have received since our arrival in Jakarta.

We believe that the Joint Commission has produced a very considered and focused document which will serve as a reference point for expanding our bilateral relations in the future. The deliberations of the Joint Commission Meeting and the constructive and friendly atmosphere in which they were conducted give us great confidence in the further development of our bilateral relations.

It is a matter of satisfaction that we have also finalized a 'Plan of Action for the Implementation of the New Strategic Partnership' between India and Indonesia. We are confident that this document will provide the blue print for the realization of the strategic partnership between the two countries.

Relations between India and Indonesia are endowed with unique characteristics¹. Perhaps, there is no other country with which India shares

1. Before EAM's departure for Indonesia the Official Spokesperson of the Ministry had briefed the journalists on the background of India-Indonesia relations and said: "The relationship between India and Indonesia is endowed with certain unique characteristics. There is considerable commonality in size, diversity, historicity, civilization, and also geographical contiguity in a sense because from Andaman and Nicobar, Indonesia is about 100 kilometres away. India and Indonesia also share the experience of being large pluralistic Asian democracies. Over the years Indonesia has been a key strategic partner of India in the ASEAN and particularly in the Look-East policy. In April 2005, Prime Minister Dr. Manmohan Singh had visited Jakarta to participate in the Afro-Asian Summit and the Golden Jubilee commemoration at Bandung. President Yudhoyono of Indonesia visited India in November 2005. Vice-President of Indonesia, Mr. Jusuf Kalla visited India in January this year. During the Prime Minister of India's visit, India and Indonesia had opened a new chapter in bilateral relations by establishing the new strategic partnership and identifying areas for enhancing cooperation for the mutual benefit of both countries. The Joint Commission meeting will help to review the progress across the range of objectives in the bilateral relations in the next two years. We will cover areas such as

so much in common in terms of geography, size, diversity, historical and civilization ties as Indonesia. Indonesia is a key strategic partner of India in the ASEAN and in the context of our 'Look East' policy. We would like our relations to move forward and evolve into a strong partnership taking advantage of the synergies that exist between the two countries.



economic and trade relations, pharmaceuticals, health, banking, investment, industrial cooperation, agriculture, tourism, culture, science and technology, space technology, IT, defence and security matters, consular issues and so on. Indonesia is today India's third largest trade partner in the ASEAN with the trade figures at US \$ 4.79 billion in 2006, which actually represented a 22 per cent increase over the previous year. The target is US\$ 10 billion for 2010. This was set by the second Joint Commission which was held in New Delhi in March 2005. There are several major Indian manufacturing companies involved in joint ventures in Indonesia. There are several Indian infrastructure companies who would be very keen to work in Indonesia along with Indonesian infrastructure companies working in India. There is a JWG on counter-terrorism with Indonesia. That has started functioning. It was established under an MoU in July 2004." When questioned whether "Indonesia is also looking for increased defence cooperation with India. Will that also be an issue? The Spokesperson said: "Yes, defence cooperation is an area. The Indonesian Parliament has ratified the defence cooperation agreement which was signed by the two countries in January 2001. Possible areas could include training, supply and repairs, spares, and so on." When questioned whether there was any proposal for "further patrolling of the Malacca Straits, the Spokesman said: "You know that the maritime security of sea lanes of communication is of vital concern. It is a common concern both for India and countries of South East Asia, East Asia and the Pacific. Discussions on this have been held in the past. Naturally the proposals of what can actually be done will depend upon the littoral states."

353. Joint Press Statement issued after the Third Meeting of India-Indonesia Joint Commission.

Jakarta, June 18, 2007.

On this day, Monday, 18th of June 2007, the meeting of the Third Joint Commission between Indonesia and India was held in Jakarta and Co-Chaired by the Minister of Foreign Affairs of Indonesia HE Dr. N. Hassan Wirajuda and the Minister of External Affairs of India HE Mr. Pranab Mukherjee. The first two meetings were conducted in Yogyakarta in 2003 and in New Delhi in 2005 respectively. Today's meeting assumes great significance since it is the first meeting after the forging of a "New Strategic Partnership" by President Susilo Bambang Yudhoyono and Prime Minister Manmohan Singh during the State Visit of the former to India in November 2005.

The meeting of the Joint Commission was convened in a warm and friendly atmosphere. The Delegations from both countries discussed and exchanged views on the various sectors of cooperation to explore and expand cooperation in a range of fields, including political, defense and security, transportation, economy and investment, health, education and training, science and technology, tourism and culture, technical cooperation and legal cooperation. The Agreed Minutes were signed by both Heads of Delegation to signify their intention to strengthen and deepen bilateral cooperation bearing in mind the challenges facing Asia's two largest and pluralistic democracies.

With an intention to implement the New Strategic Partnership, both countries have agreed upon a Plan of Action to implement this partnership in a clear and measurable manner. Some of the highlights of bilateral relations discussed during the Joint Commission Meeting include the following:

- The appreciation of both countries on the convening of the First Joint Defense Cooperation Committee between Indonesia and India on 12-14 June 2007 in Jakarta, after the ratification of the Defense Cooperation Agreement between Indonesia and India in December 2006;
- The significant increase in the exchange of visits between members of parliament, government and military officials, trade missions, academicians, and "people to people" exchanges from both countries over the past few years;

- Enhancing economic, investment and trade relations through the diversification of the trade basket and addressing the impediments to the expansion of trade and investment, with the aim of reaching the two-way trade volume target of US\$ 10 billion by 2010, as mentioned in the Joint Declaration of 2005;
- The meeting identified new fields of cooperation, such as Special Economic Zone cooperation, development of alternative energy sources, the conclusion of a Mutual Legal Assistance Treaty (MLAT) in Criminal Matters and Extradition Treaty, cooperation in health and pharmaceuticals, oil and gas, and mining, biotechnology and women's empowerment.
- The Indian delegation expressed appreciation at the extension of Visa on Arrival facilities to Indian nationals by Indonesia and also take note to simplify of Indian visa grants for Indonesian nationals;
- The meeting discussed the strengthening of cooperation in information technology, nuclear technology, biotechnology, tele-education, tele-health, and strengthening cooperation in space technology, especially after the successful establishment of the Second Telemetry Tracking and Command Centre in Biak by ISRO and the recent piggy back launch of the LAPAN TUBSAT Micro Satellite by India in January 2007;
- The Indonesian side welcomed the Indian Prime Minister's offer to assist in the restoration work at the Prambanan Temple Complex through the Archaeological Survey of India; both sides agreed to cooperate closely in the hospitality and tourism sector as well.
- Both sides have also agreed to enhance technical cooperation and cooperation in education through the granting of scholarships to students of both countries.

As a symbol of India's contribution to the recovery of Aceh, a Memorandum of Understanding concerning the Setting Up of a Vocational Training Center for the Construction Sector in Aceh was signed by the Minister of Public Works of Indonesia Mr. Djoko Kirmanto and the Minister of External Affairs of India.

The Ministers emphasized the unique characteristics of the relations between India and Indonesia as Asia's two largest and pluralistic democracies and recalled that the two countries have had contacts in history

for more than of 2000 years. They expressed their confidence that the outcome of the Joint Commission Meeting would build a strong foundation for Indonesia and India to continue cooperation for the mutual benefit of their peoples.



354. Address by the External Affairs Minister Pranab Mukherjee at a function jointly organised by the Embassy of India in Jakarta and the Indonesian Council of World Affairs on “India’s Growing Engagement with East Asia.”
Jakarta, June 18, 2007.

Please see Document No. 323.



JAPAN

355. Address by Special Envoy of the Prime Minister Shyam Saran at the Japan Institute of International Affairs.

Tokyo, January 15, 2007.

Mr. Chairman, Mr. Miyagawa, Director of the Japan Institute of International Affairs, very distinguished members of the audience, I am particularly delighted to be here with you this morning. I had the privilege of serving in this great country as Deputy Chief of Mission in the Embassy of India. I left Tokyo in 1989 and it has taken me about 15 years to come back. It is my great privilege to be back again in a country of which I have such pleasant memories. Since the time I was last here, our relations with Japan, which have always been very cordial, have added a few additional dimensions. Today, when I come to Japan, I see a dramatic transformation in our ties with this country. I think this is best encapsulated in what Prime Minister Abe said to our Prime Minister during the latter's recent visit to Japan. He said that for Japan, the relationship with India is the most important strategic relationship and I think that sentiment was very much reciprocated by our Prime Minister. I think if you look at the emerging situation here in Asia, there is no doubt that there are very important changes which are taking place, changes which will have not only an impact on Asia but also all over the world.

Firstly, there is no doubt that the centre of gravity of the global economy is shifting towards Asia. There is a very important strategic shift which is taking place. A part of that strategic shift is the emergence of very important dynamic economies of China and of India. I think Japan has shaken off some of the problems that it was facing in the last decade or so and is once again back on the path of growth. The relationship amongst these three Asian countries will be very important for the security, stability as well as the prosperity of our region.

The relationship between India and Japan is becoming closer, because we are democracies, because we have respect for the same human values and a history of a very benign and very positive relationship over the last many years. I think all this adds to a very comfortable relationship between India and Japan. Amongst the Asian countries, I would venture to say that the comfort level between India and Japan is perhaps much higher than Japan's relations with many other countries in Asia. We believe there is an

excellent foundation for developing our relationship further. So, when Prime Minister Abe says that India-Japan relations can be the most important strategic relationship for Japan, and India reciprocates that sentiment, I don't think it is mere diplomatic language. I think it is based on a very substantive perception on how the world is changing, how Asia is changing and what role India and Japan can play in that regard.

For India also, there is a very important perceptual change which is taking place. If you look at the 15th century, 16th century, even 17th century Asia, you will see that India was really at the crossroads of very dynamic trade relationships with South East Asia, with West Asia, with East Coast of Africa. Maritime connections were very very dense. Ambassador here has also served like me in Indonesia. If you go to Indonesia, you will find examples of Indian textiles from the 16th century and 17th century which used to serve like the currency of trade in South East Asia before the industrial revolution took place in Europe. So there were very intense relationships, maritime communications linking up many of the countries of Asia, and even as I said East Coast of Africa.

Those were interrupted by imperialism, by colonial rule. The main connections changed to the colonial countries, and all the connections which used to exist among the Asian countries themselves, were interrupted. What is happening today is really almost like resumption of history in Asia. Those ancient communication links, those ancient cultural linkages are once again coming to the fore. It is not only trade which is developing once again amongst the Asian countries but at the same time there is a very strong cultural resurgence also taking place and there is a sense that we are in the midst of a rediscovery by Asia of itself. In India, we feel we are really in the midst of a very exciting adventure taking place and certainly we would like India-Japan relations to be part and parcel of that great adventure.

I would like in this context to refer to the tremendous change that is taking place in terms of our economic profile. Since 1991, there has been a very dramatic change in India's economic policies: The Indian economy has opened up. It is an economy which now believes its destiny lies in greater linkages with the global economy rather than the self-reliant model of development. The strategy of self-reliant development did have a certain rationale and we did have certain logic at the time we applied it. Since 1990-91, the world has changed and India too has undergone a change. Now, we believe that on the basis of the kind of infrastructure that we

managed to establish in those years, the industrial infrastructure - Mr. Nehru's great stress on developing India's scientific and technical manpower, very high quality education, all that has now started in a sense delivering its fruits, its benefits. We are now able to leverage some of those investments which were made many years ago to really step on to the world stage with a far greater deal of confidence, far greater deal of assurance than perhaps was possible two decades ago or three decades ago.

The Indian economy is as you know on an accelerated growth path. It is growing at the rate of about 8% per annum. This year it might grow even faster. Our target is that it should be perhaps 10% or even more than 10% per annum. We cannot grow as fast as China has for the simple reason that we are a different society. Our political system is different. Therefore, you know the manner in which we develop has to be in consonance with our democratic values, it has to be in consonance with our respect for human values. I do not think that India should, in fact, aspire to 15% rate of growth and not look at the human consequences or the social consequences of that growth. There is a sense in India that let us grow as fast as we can while ensuring that our social fabric and our cultural fabric is not strained beyond the limits of tolerance. I think we have done very well in terms of being able to maintain our democratic framework, being able to contain a lot of the social and economic consequences of a higher growth rate. If we were not a democracy, perhaps we would not have been able to do so, given the fact that India is such a diverse country, given the fact that we are a billion people. We have a number of languages; perhaps in Japan which is a relatively homogenous country, it is difficult to realize how much of a challenge it is for a diverse country like India to deal with these kind of challenges. I think the great achievement of India has been that while it has been through this tremendous economic and social transformation, it has remained a true democracy and there is a sense in India today that being a democracy is not any kind of a constraint on our ability to achieve faster growth. When I was here, in the late 80s, there used to be a very strong feeling, even in this country, that India may not be able to get away from the bullock cart rate of growth as it did not correspond to the Asian model of authoritarianism along with economic liberalism.

I think in the world today there is a very big change in this perception. India has been part of the reason why there is a change of perception. If you look at a somewhat longer perspective, democracy, far from being a constraint on growth, can actually be a very important contributing factor to growth.

Why is there a sense of optimism in India about our future prospects? If you look at the world and the kind of global economy that is emerging, we believe that economic growth is inevitably going to be more and more technology driven. It is going to be more and more knowledge driven in the future. If that is the case, we believe India is well placed to take advantage of the very heavy investments we have made in developing human resources, because it has the trained human skills. Perhaps no other country has that kind of critical mass of skilled manpower which India has, and given its demographic profile I think there will be a constant replenishment of skilled manpower as the years go by.

The second important element is that culturally India, having been a crossroads culture throughout its history, has people who are very adaptable. We do not have much problem in adapting to the rest of the world. This is the reason why within about 15 years of economic liberalization and growth, you find that not only are we receiving foreign collaboration, foreign investment, but also there are Indian companies who are going out and investing. They are becoming true multinationals. They are acquiring assets abroad. They don't have much problem in adjusting themselves to different economic environments elsewhere in the world. So there is an advantage that we have in terms of our temperament, in terms of our cultural traditions. We have all the reasons for emerging as, I would not say as a super power, but we believe that we can certainly be among the first ranking nations of the world if we make the right decisions today.

Now this brings me to what are the kind of constraints that we would face if we are looking at such a future. Well if we want to continue to grow at the rate of 8 to 10% per annum for the next 20-25 years, one of the biggest challenges for us is going to be energy. Today more than 50% of our energy requirements are met by coal and in fact most of our energy comes from fossil fuels. We are facing a situation where there is a sharp rise in the prices of oil and gas. There are very serious environmental concerns about the continued use of coal based power. If you have an India which is growing at 8 to 10 per cent per annum, if you have a China which continues to grow at the rate at which it is growing today, then there is no doubt that there will be very soon, if that moment has not already arrived, a major pressure on global energy prices, availability of energy resources, and there would also be a very serious environmental challenges which we have to face. We looked at our energy requirements for the next 20-25 years, up to 2030 then up to 2050. Even if we were to utilize all the known sources of energy that are available, potential source of energy that we have, we would have

a major gap, in fact a growing energy gap that we would be facing as time goes by. In that context, in developing our economic strategy we came to the conclusion that if in the medium-term we really want to have a very significant increase in energy available to us, then there is no alternative to developing our nuclear energy sources.

Why nuclear energy? Despite the technology denial regime that India has had to face over the last three to four decades, we have managed to develop a fairly complete infrastructure in the nuclear field. We have a very strong base in terms of human resources. We have very capable scientists, we have very capable technologists whose worth is recognized internationally. We have managed to master the entire nuclear fuel cycle. So for us it made sense to look at nuclear energy as certainly one of the very important sources of energy that we could develop in the medium term and the long term. This would also have very important advantages in terms of the environment challenges that we are talking about because nuclear energy certainly, relatively speaking, is the cleaner source of energy. In terms of the kind of perspective planning that we have of a fast breeder reactor programme and later thorium based nuclear programme, this is something which would enable us to very successfully handle the issue of atomic waste that would emerge from a larger exploitation of nuclear energy. In terms of the energy strategy that we adopted a couple of years back, nuclear energy was certainly identified as one of the very important sources of energy that we would need to develop.

Now, I will give a background of the Indo-US Nuclear deal. Actually it was in 2004, around October, that we were discussing with the European Union, not with the United States, establishment of a strategic relationship between India and the European Union. In November, there was going to be a Indo-EU Summit, at which the strategic partnership was to be announced, we were looking in the preparations up to that Summit at what kind of global challenges and strategic issues India and EU need to work together on. While we have excellent bilateral relations with EU, if we really wish to go beyond those bilateral relations, what is it that India and the EU could do together in terms of their strategic partnership? We ran through the list, we talked about global health issues, what India and EU should do to deal with issues such as AIDS, Avian Flu, and pandemics. We talked about issue of environment. But one of the issues that we also talked about was energy and we gave similar arguments I gave you that if we are going to have a very large increase in energy demand from economies, very large growing economies, like India and China, this would have an impact not only on

India and China but it would also have an impact globally and the related issue of environment. Accordingly, we decided that one of the components of the India EU Strategic relationship would be energy. So when we actually announced our strategic partnership in November 2004, one of the decisions was to set up an India-EU Energy Panel and in that Energy Panel, apart from the other energy issues that we decided to look at, there was also nuclear energy.

In fact this was the first time after many years that India and its western partners decided to re-visit the issue of nuclear energy. This was also of course something related to one of ITER fusion project of which Japan is a very important member and as you are aware, thanks to the support which we also received from Government of Japan, India was able to join the ITER project as one of the founder members. This was the first breakthrough in the sense of the taboo on discussing nuclear energy. That taboo was broken. This was without prejudice to the very strong positions that European countries have on nuclear non-proliferation. It was not as if European countries had decided to abandon their attachment to the goal of nuclear non-proliferation or their concern that everything should be done in order to further the goals of nuclear non-proliferation. But it was also recognized that we look at a somewhat larger global perspective and we should put India's relationship with EU also in that larger global perspective.

With this advance that we were able to achieve with the European Union, a similar dialogue took place with the USA and this was in the run up to our Prime Minister's visit to Washington which was to take place in July 2005. When we started discussing with the United States as to what would be the content of the strategic relationship which we were going to establish with the United States, similar kind of issues came up. What are the kind of things that India and the United States should be doing if they were to really establish a substantive strategic partnership? Inevitably the issue of energy came up. A similar kind of argument in fact took place when we talked about global energy situation and by the way this actually corresponded to a very important review taking place internally at that time in the United States itself about the revival of nuclear energy.

Of course, you saw the result of that six months later when President Bush himself announced that we need once again to look at nuclear energy and revive nuclear energy as one of the most important source of energy for the United States, reduce the US's dependence on fossil fuels particular foreign oil. So we decided that one of the things that we need to do together

is to look at nuclear energy as a potential source of energy for both United States and India and of course look at it from the perspective of identifying this as one of the areas where we could work together. This was, of course, based on the logic that India will do whatever is necessary in order to develop nuclear energy as a major source of energy for itself but obviously if India were able to have international cooperation in this field, it would be able to develop it much faster.

In the discussions that we have been having with both US and EU, we have said that we would be ready to give two kinds of assurances to our partners. One, an assurance that whatever we receive under international cooperation from our partners would not be diverted to third countries. Secondly, whatever we receive in terms of material or equipment from our partners would never be diverted to our own strategic programme.

In the case of the first set of assurances, although India did not sign the Non Proliferation Treaty, please do not forget that India was one of the first advocates of Non Proliferation. In fact, India was one of the very strong supporters of the original resolution which was moved by Ireland. Why did we not sign the Non-Proliferation Treaty? Not because we were against non-proliferation, but because we believed that the treaty which was emerging from those negotiations was a discriminatory treaty. We believed that it did not really address the real motivation behind proliferation and that the best antidote for proliferation was really the eventual elimination of all nuclear weapons. While there were very specific commitments which were made by non-nuclear weapons states, there were good faith declarations made by the nuclear weapon states, that there had to be a certain balance in the commitments made by both sides. So it was not that India was against the concept of non-proliferation but it did not sign the NPT because it believed that the treaty itself was in a sense lacking in addressing the real issue of proliferation and it was not non-discriminatory in character. The other aspect to remember is that precisely because of our commitment to non-proliferation all these years, India has perhaps the best record in terms of non-proliferation despite the fact that we have indigenously developed a whole range of technologies both on the nuclear side as well as in terms of delivery capability on the missile side. India has been one country which has had the most conservative record in terms of sharing any of these technologies with any third countries.

When we decided with the USA that we would in fact engage in civil nuclear energy cooperation, what we agreed to do was that we will further strengthen

our commitment to non-proliferation by converting what has been so far a policy commitment on the part of the Government of India, successive governments of India, into legal commitments. Several times the question is asked - we can see why this is good for India but we can't see why this is good for the international community or for the non-proliferation regime. The reason why it is a plus for the international community, the reason why it is a plus for the international non-proliferation regime, is because India has been ready to convert what has essentially been a policy commitment on its part for all these years in terms of non-proliferation into legal commitments. How did we do this? In May 2005, India adopted a very comprehensive WMD legislation which covers tangibles as well as intangibles with very strict controls and very serious penalties for violations of this law covering virtually all aspects of technology and equipment relating to WMD. This Act was passed by the Indian Parliament and it was gazetted; that was one very important step forward taken. After that in July 2005, we also decided on our own to harmonize all our export control lists with those of the Nuclear Suppliers Group as well as with the Missile Technology Control Regime Group (MTCR). We have very exhaustive lists from the Directorate General of Foreign Trade in India as well as the Department of Atomic Energy in India which have been now notified. Our export control lists are now on par with the NSG and MTCR.

This was to give confidence to our partners that India not only committed to non-proliferation in terms of policy as it has been all these years, but it is now ready to give legal character to those commitments. I would submit that this is a very important plus point for the international community and for the non-proliferation regime because if India is a country which already has a whole range of sensitive technologies available inside our country, and if this range of technologies is only going to increase in the future, then does it not make sense to treat India as a partner in global non-proliferation efforts rather than to treat it as a target?

The second set of assurances that I mentioned to you was that whatever we receive from our international partners, we should not let it in any way be an advantage to our strategic programme. It should not help our strategic programme. This was a little more complicated. It was complicated because India did not start with a dedicated nuclear weapons programme. Our strategic programme in a sense grew out of our undifferentiated nuclear programme. The kind of distinction which was there in nuclear weapon countries between their strategic programme and their civil programme, that differentiation did not exist in India. Unless there was, therefore, a

clear-cut separation of our civil facilities, it would be impossible for us to give the assurance to our partners that whatever we receive from them in terms of material or equipment would never be diverted to military uses. Therefore, we worked out a separation plan where India identified what would be its civilian facilities leaving out those which are in the strategic category. Those civilian facilities are available for cooperation with our partners. This being a complicated exercise, and something which will take a little bit of time, there is a phased separation plan which will take us upto 2014.

Now obviously in order for international cooperation to happen there are various things which need to be done: one is, in USA itself, change in its legislation in order to enable cooperation to take place with India. Parallel to that there would have to be a change in the guidelines of the NSG similarly to make it possible for there to be cooperation between India and members of NSG. We would have to develop an India-specific safeguards agreement with the IAEA. Why is it specific? Because India does not fall in the category of Nuclear Weapon States as detailed in the Nuclear Non-Proliferation Treaty but neither is it a country which is a non-nuclear weapon state as it has a strategic programme. So we have to find some kind of formula or some kind of a model which can take into account this particularity of India. That is why we said that we have to negotiate an India specific safeguard agreement with the IAEA. Similarly, we have to negotiate an Additional Protocol to the India specific safeguards agreement.

Where are we at this point of time? At this point of time, the law in the USA has been changed, so with the adoption of the Hyde Act in December, we have actually a change in the legislation which has taken place. This has opened the way for the next step which is India and USA negotiating a bilateral civil nuclear energy cooperation agreement which is under Section 123 of the US Atomic Energy Act.

This would have to be in parallel with the change in the NSG guidelines which would be certainly complicated because there are 45 members of the NSG group and there would also have to be negotiations with the IAEA on safeguards. These are, in a sense, linked but the passage of the legislation in the USA was a key because without that change taking place, the other components could not really move forward. So at this stage we have one very important landmark which has been crossed with the passage of the US legislation.

Currently we are working on the three other components that I have

mentioned, the 123 Agreement, NSG guidelines and IAEA safeguards. All these are going to be rather complicated exercises, will take a lot of persuasion on our part, lot of diplomacy on our part to be able to accomplish these different components. We have come a long way since this process began and we have some confidence, given the reputation that we have established as a country which has as I said an impeccable record in terms of non-proliferation. Given that record, we believe that we have a good opportunity to bring about a change in the international regime as it relates to India and this would be an extremely important contribution to our ability to meet the kind of challenges that we are going to face in the next couple of decades, in particular the energy challenge.

It is important to remember that what we are doing here is not an arms control measure, it is a measure for civilian nuclear energy cooperation. I think this distinction needs to be kept in mind.

Let me conclude by saying that in taking this initiative forward, we are more than conscious of the sensitivities of our partner countries in terms of nuclear non-proliferation. We are of course aware of Japan's sensitivities, because it is the only country which has suffered from the use of nuclear weapons. I would like assure you that not only are we aware of the sensitivities but we are more than prepared to work together with you for the goal of nuclear disarmament because we continue to believe that really the answer to the kind of challenges that we are facing today, particularly in the field of proliferation, would be difficult to tackle unless we rededicate ourselves to the goal of nuclear disarmament. I think that the objective of the international community is to work for a credible plan to eventually eliminate nuclear weapons, but that particular commitment in a sense has been under shadow for some time.

I think it is very important to rededicate ourselves and to put that once again in at the top of the international agenda. We are quite prepared to work together with you in trying to bring that back on the global agenda and really work towards that end. While there may be some differences between us because we do have a strategic programme, we make no bones about that, but please rest assured that in terms of our commitment to the goals of non-proliferation and nuclear disarmament we remain as passionately committed as you are. We believe that there is actually a basis on which our countries can work together. We will do nothing in any sense to disturb our comfort level as far as this issue is concerned.

I think it is important specially since we have established a very important

relationship between our two countries that we explain to our friends what has led us to this initiative, explain to our friends what are the reasons why we have chosen to go in this direction. Of course, we believe that with this explanation, with the kind of feedback that we give you, you will take your own decisions in terms of your own interests but among friends it is important that we should have this dialogue and that is the reason why I am here.

Thank you very much.



356. Briefing points by Official Spokesperson on External Affairs Minister's meetings during his official visit to Japan.

New Delhi, March 22, 2007.

- On arrival in Tokyo on his official visit, External Affairs Minister Shri Pranab Mukherjee called on the Prime Minister Mr. Shinzo Abe. The call lasted for approximately 40 minutes.
- EAM conveyed Prime Minister Dr. Manmohan Singh's warm greetings and also reiterated PM's invitation to Prime Minister Abe to visit India this year. EAM reiterated importance attached by Government of India to strategic and global partnership with Japan and looked forward to operationalizing the strategic dialogue with Foreign Minister of Japan. He also underlined the importance attached to cooperation in the defence and security field. Prime Minister Abe underlined the need for countries with common values of freedom, democracy, rule of law and human rights like India and Japan to work together. He also reiterated the importance of India-Japan strategic dialogue. Prime Minister Abe welcomed India's presence in the East Asia Summit. EAM welcomed Japan's presence as observer at the forthcoming SAARC summit. Discussions also covered other regional and international issues of mutual interest.
- EAM held a meeting with Mr. Akira Amari, Minister of Economy, Trade and Industry. Strategic and global partnership issues were discussed particularly from the economic relations angle. EAM briefed Mr. Amari on economic developments in India including favourable growth trends. The dedicated freight corridor project was also discussed. It

was noted that first meeting of the Joint Task Force on EPA/CEPA negotiations has agreed on terms of reference and second meeting is to be held in Tokyo in April. The agreement on modalities and time frame for bilateral consultation mechanism on facilitation of high-technology trade was welcomed. The first round is to be held in May at the official level. It was also noted that India-Japan Energy Dialogue meeting is to be held in Tokyo in April and will be co-chaired by Deputy Chairman, Planning Commission from India. Discussions also covered the WTO issues.

- EAM also held a meeting with Chief Cabinet Secretary Mr. Yasuhisa Shiozaki. During this meeting it was reiterated that broadest possible exchanges between India and Japan at a high level should be continued. Mr. Shiozaki expressed his desire to continue his dialogue with National Security Adviser on key regional issues such as the six-party talks.
- EAM is to hold meetings with Foreign Minister Mr. Taro Aso, including the first ministerial level strategic level dialogue later today.



357. Joint Press Release on the visit of External Affairs Minister Pranab Mukherjee to Japan.

Tokyo, March 22, 2007.

The Minister of External Affairs of India, H.E. Shri Pranab Mukherjee, is paying an official visit to Japan at the invitation of H.E. Mr. Taro Aso, the Minister for Foreign Affairs of Japan. The Minister of External Affairs of India held talks with the Minister for Foreign Affairs of Japan on 22nd March 2007. They also initiated the first Ministerial Level Strategic Dialogue between the two countries. The Minister of External Affairs called on H.E. Mr. Shinzo Abe, Prime Minister of Japan. He also had meetings with H.E. Mr. Akira Amari, Minister for Economy, Trade and Industry, H.E. Mr. Tetsuzo Fuyushiba, Minister for Land Infrastructure and Transport and H.E. Mr. Yasuhisa Shiozaki, Chief Cabinet Secretary. He will be meeting with H.E. Mr. Fumio Kyuma, Minister for Defense on 23rd March, 2007.

During these intensive interactions, it was noted with satisfaction that bilateral relations have gained new momentum to reach a higher level following the decision by the two Prime Ministers to establish the India-Japan Strategic and Global Partnership. The two sides expressed their determination to accelerate the process of strengthening bilateral relations based on the common values and shared interests through the implementation of understandings and agreements contained in the Joint Statement signed by the two Prime Ministers in Tokyo on December 15, 2006.

1. Regional and International Issues :

- (1) The Minister of External Affairs of India and the Minister for Foreign Affairs of Japan exchanged views on ways to enhance cooperation on regional, multilateral and global issues. They reached a common understanding that India and Japan have a responsibility for responding to regional and global challenges, and must play an active role in the promotion of peace and stability in Asia and the world at large.
- (2) Considering the present situation in Asia, the Ministers had extensive discussions on the direction of Japan-India cooperation towards building peace and prosperity in Asia. The Ministers reaffirmed that there exists common objectives and values between the idea of "Arc of Freedom and Prosperity" proposed by Japan and the idea of "Arc of Advantage and Prosperity" proposed by India, and that realisation of such common ideas would benefit not only Japan and India but

also the whole of Asia. Japan and India will intensify dialogue on Asia through various channels.

- (3) The Ministers shared the view that further development of South Asia, which has vast potential, would greatly contribute to peace and prosperity in Asia as well as in the world at large. The Ministers reaffirmed that South Asian Association for Regional Cooperation (SAARC) should play an important role for regional cooperation and integration of the South Asian region. India welcomed Japan as an Observer country at SAARC. They shared the view that the next SAARC Summit Meeting, which will be held in April in New Delhi and in which Japan will participate as an observer for the first time, would be an occasion to enhance global linkages between SAARC countries and the East Asian region.
- (4) The Ministers shared the view that it would be important to strengthen regional cooperation to tackle such issues in the region, including inter alia, energy security, environmental issue, natural disaster, terrorism and proliferation of weapons of mass destruction. They reiterated their readiness to cooperate in the process of community building in the Asian region and shared the view that it would be important to foster the East Asia Summit (EAS) as a pillar of East Asian community building in the future. For this purpose, they reaffirmed that the two countries would continue to cooperate on the basis of progress which was made during the 2nd EAS in January this year.
- (5) The Ministers stressed that it would be important for the two countries to deepen cooperation in the field of climate change and energy efficiency in accordance with their common but differentiated responsibilities so as to work in a concerted manner against climate change which is the urgent issue of international society. They will also cooperate within the framework of the Asia-Pacific Partnership on Clean Development and Climate.
- (6) The Ministers also reaffirmed that they will continue close cooperation towards early realisation of UNSC reform which is the common objective of the two countries. They confirmed that the initiative by the G-4 countries (India, Japan, Brazil and Germany) has played an important role in this endeavour and they will continue to utilise this framework as well as close dialogue with important partners.
- (7) The Ministers discussed recent events on the Korean Peninsula and shared grave concerns on the nuclear test conducted by DPRK, which

has greatly complicated the security situation in the region and highlighted the true extent of clandestine proliferation. They stressed the importance of fully implementing the UN Security Council resolution 1718 and confirmed that they would promote practical cooperation towards this end. They emphasised the importance of realising the denuclearisation of the Korean peninsula, through the Six-Party Talks and called for the implementation of the agreement of February 13, 2007. They urged that the abduction issue be resolved at the earliest as a humanitarian concern.

- (8) The two sides reaffirmed that both countries will continue to work together as responsible members, including through the G-6 to achieve an early conclusion of a well-balanced WTO Doha agreement.

2. Efforts to Further Strengthen Bilateral Relations :

- (1) **High Level Visits and Bilateral Dialogues** : The External Affairs Minister of India reiterated the invitation from the Prime Minister of India to the Prime Minister of Japan to visit India at an early, mutually convenient date. The Prime Minister of Japan said that he was looking forward to visiting India. The Ministers reiterated the importance of regular bilateral dialogue through established mechanisms such as Foreign Secretary Level Talks, Annual Dialogue on Disarmament and Non-Proliferation, Joint Working Group on Counter Terrorism, etc. It was agreed that all these dialogue mechanisms will be convened within the year 2007.
- (2) **Defence and Security Cooperation** : The Ministers noted with appreciation the steady development of cooperation and exchanges in the field of defence and security. In this context, they welcomed the goodwill visit of the Indian Navy ships to Japan, Annual Defence Dialogue, and developments in service-to-service cooperation, including through an annual calendar of cooperation and exchanges. They directed that the next round of the Comprehensive Security Dialogue would take place on mutually convenient dates in 2007. The two sides endorsed the view that India and Japan must cooperate closely to ensure the safety and security of international maritime traffic vital for their economic well being as well as for the region, including through the regular exchange of visits by the Coast Guards of the two countries.
- (3) **Comprehensive Economic Partnership** : The two sides reviewed all aspects of the comprehensive economic engagement between India

and Japan under the Special Economic Partnership Initiative. They expressed their satisfaction at the initiation of the CEPA/EPA negotiations in January 2007 aiming at delivering a high-quality and mutually beneficial agreement. The 2nd round of negotiations will be held in Tokyo in April, 2007. The Minister for Foreign Affairs of Japan conveyed that India would remain the largest recipient of the Japanese ODA loan in the current fiscal year for the fourth consecutive year and the Minister of External Affairs of India expressed his appreciation for the Japanese assistance. The Minister of External Affairs of India informed the Japanese side of Government of India's decision to implement the Dedicated Freight Corridor Project. The Japanese side showed its understanding of the importance of the project and mentioned that it would consider the possibility of assistance for this project positively based on the on-going feasibility studies.

- (4) **India-Japan Energy Dialogue** : The Minister of External Affairs of India had a meeting with H.E. Mr. Akira Amari, the Minister of Economy, Trade and Industry and reached a common understanding on the modalities for the India-Japan Energy Dialogue at the Ministerial level to promote cooperation across the energy sector. Five Working Groups on 1) Electricity and Power Generation, 2) Energy Efficiency, 3) Coal, 4) Renewable Energy and 5) Petroleum and Natural Gas will be established to identify specific projects for cooperation. The Deputy Chairman of the Planning Commission of India will visit Japan in April to launch the dialogue.
- (5) **Bilateral Consultation Mechanism for High Technology Trade**: The Minister of External Affairs of India and the Minister of Economy, Trade and Industry of Japan reached a common understanding on the modalities for the bilateral consultation mechanism for high technology trade. This mechanism would facilitate bilateral high technology trade and address matters relating to respective export control systems of the two sides. The first meeting will be held in Tokyo in May 2007.¹
- (6) **People-to People Exchange** : Recalling the directive given by the

1. In a telephonic interview on March 23 from Tokyo to Singapore based correspondent of *the Hindu*, P.S. Syryanarayan Mr. Mukherjee said India has sought the "support" of Japan for gaining access to high-tech know-how and equipment for the peaceful use of atomic energy and added that discussions on this issue "are [still] taking place." Noting that Japan was "an advanced country in nuclear energy" and also an "important member of the Nuclear Suppliers Group," Mr. Mukherjee said India would require Tokyo's support to secure the forum's nod for access to the resources and sophisticated technology in this domain. "Keeping in view the sensitivities of Japan," he told Japanese Prime Minister

two Prime Ministers, the Ministers instructed concerned authorities to continue their consultations on the waiver of visas for holders of Diplomatic Passports and simplification of visa procedures to facilitate two-way travel. The signing of Memorandum on the friendship exchange relationship between Fukuoka Prefecture and Delhi State was welcomed by the two sides. The Two Foreign Ministers welcomed the successful launch of the "Japan Year in India" as well as the ongoing reciprocal festivals being organized in both countries to mark the India-Japan Friendship Year 2007. They welcomed that the steady progress had been made in the "Aso Programme". They noted the progress towards the setting-up of the consortium, of prestigious universities and companies in Japan, to assist the development of the Indian Institute of Information Technology for Design and Manufacturing at Jabalpur and reiterated that both sides should make every effort to facilitate implementation of the project. The Minister of External Affairs of India has invited the Foreign Minister of Japan to pay a bilateral visit to India for the next round of the Strategic Dialogue at a mutually convenient time in 2008. The Japanese Foreign Minister has accepted the invitation.



Shinzo Abe and other leaders that "India's commitment to non-proliferation is total and not ambiguous." Mr. Mukherjee's political intervention over this issue acquires importance in the evolving context of India-U.S. engagement on civil nuclear cooperation. Responding to a question, he maintained there was no strategic design behind the prospective India-Japan-U.S. naval exercise, a first involving the three, and the planned U.S.-India bilateral exercise off the Japanese waters. The objective being pursued was "not a war game" at all. These exercises were being programmed to enhance cooperation to "combat piracy, ensure the security of sea lanes" and manage natural disasters and tackle marine pollution among other tasks with no military dimension. On the United Nations Security Council reform and New Delhi's bid to become a permanent member, Mr. Mukherjee said the Group of Four - India, Japan, Brazil, and Germany - was still "very much alive" to champion this cause. On energy security, a key aspect of his latest talks in Tokyo, Mr. Mukherjee said the two countries were now poised to begin a dialogue on this.

**358. Address by External Affairs Minister Pranab Mukherjee
at the Japan Institute of International Affairs.**

Tokyo, March 23, 2007.

Significance of India-Japan Relations

Ambassador Saso,

Distinguished Guests,

Ladies and Gentlemen,

I consider it a great privilege to have this opportunity to interact with such a distinguished audience, comprising so many well-known experts in the fields of foreign and security policy, politics and economy. I have just concluded the first Ministerial-level Strategic Dialogue with my counterpart, His Excellency Foreign Minister Taro Aso. It was a fruitful discussion. I am delighted to share with you this morning some of my thoughts on the long-term significance of relations between India and Japan.

2. Since historical and civilisational contacts between India and Japan began some 1400 years ago, it is important to recognise that throughout our history, we have never been adversaries. Our enduring ties have never been marred by conflict. We share the common heritage of Buddhism and, more recently, the common values of democracy and pluralism. The affinities between our two peoples have been an unchanging factor and have benefited from the visionary contributions of our preceding generations. A recent survey in my country re-established once again that for Indians, Japan and the Japanese people continue to remain highly esteemed in our public perception.
3. However, it also remains a fact that the intensity of our interactions has remained rather modest despite our shared heritage and values. Happily, we are now consciously trying to remedy that shortcoming. Since former Prime Minister Yoshiro Mori's historic visit to India in August, 2000 when we first established a Partnership, there has been a dramatic transformation in our bilateral relations. It is, as if the dawn of this new century has awakened us to the great significance and promise of our relationship for mutual benefit and for the benefit of the region and the world.

4. There are many factors which are bringing us closer together. Our two societies are governed by democratic institutions. Shared value systems and interests provide a strong underpinning to our bilateral ties. I would venture to say that the comfort level between India and Japan is among the highest between Asian countries. So, when Prime Minister Shinzo Abe says that India-Japan relations have the greatest potential of all and must be nurtured to become the most important bilateral relationship in the world, and my Prime Minister Dr. Manmohan Singh fully reciprocates the sentiment, this is not simply an aspiration but a decision based on a very careful consideration of how Asia is changing and what role India and Japan must together play in this process.
5. There is no doubt that for the first time in three hundred and fifty years, the centre of gravity of the global economy is shifting towards Asia. India and China are re-emerging as economic engines of growth after more than two centuries. The regional connectivity and the shared commerce and culture, which had been impaired by centuries of colonial rule, is binding Asia together again. ASEAN has emerged as a strong economic force and Japan's own economy continues to underpin the region's rapid development. The vision of an Asian economic community in which India and Japan have a shared interest, now stands before us.
6. And yet, major challenges remain. Asia is only beginning to build regional structures that reflect and accommodate current day geo-economic realities. To realise the vision of prosperity and growth for all, it is essential to engage the wider Asian region within a cooperative framework so that all those who live in Asia can together meet the new challenges unleashed by the forces of globalisation. This will require inspired and visionary leadership and a readiness that embraces diversity and difference.
7. There are many reasons why India and Japan are natural partners in the quest to create an "arc of advantage and prosperity" across the Asian continent.
8. First, we share the common values of democracy, human rights and the rule of law. In this century these values will become the dominant trend and, as mature democracies, India and Japan must serve as examples of how economic growth can be pursued in consonance with democratic values. It is possible for both of us, if we work

together, to show that the impact of globalisation can be managed through democratic processes so that the social fabric and cultural identities of countries and civilizations are not strained, but enhanced.

9. Secondly, India and Japan are major engines of economic growth in Asia. The 21st century will be the Century of Technology and the Age of Innovation. The world needs no introduction to the creative genius of the Indians and the Japanese. If we can forge synergies that bind the creativeness of the Indian mind with the discipline of your work culture and the prowess of your technology, our collaboration can change billions of lives not merely in Asia but in other parts of the world where creative solutions are needed to address the basic needs of men and women.
10. Thirdly, India and Japan recognise that the key to ensuring long-term security and a stable equilibrium in Asia lies in the collective ability of Asian countries to build trust and confidence based on economic integration. It is with this conviction in mind that both of us espouse a vision of an Asian Economic Community of peace and shared prosperity in which people, goods, services, investments and ideas can travel with ease across national borders. A Pan-Asian Free Trade Area or Comprehensive Economic Partnership in Asia can and will open up new growth avenues for regional economies. This will not be easy, but India is ready to partner likeminded countries like Japan to make this happen. The recently concluded second East Asian Summit has laid the foundations for a cooperative regional architecture in Asia. We will work closely with Japan and with ASEAN to create the building blocks for the progressive realisation of this Asian Economic Community.
11. Fourthly, the key to continued Asian economic prosperity lies not only in regional interaction but equally in the shared security of the sea-lanes of communication. Unless we can guarantee the free transit of energy and trade between the Suez Canal and the Western Pacific, Asia's economic vision may remain incomplete. India and Japan are maritime countries. We have individually demonstrated our capacities to contribute to maritime security. When I had last visited Japan in May, 2006 as India's Defence Minister, we discussed the importance of our collaboration. I am particularly happy to note that the first Joint Goodwill Exercise between the Japan Maritime Self Defence Force and the Indian Navy will also take place very shortly. I also welcome

the expansion of our maritime cooperation through interactions between our two Coast Guards. Our cooperation in ensuring the safety and security of sea lanes of communication, combating piracy and terrorism, search and rescue, and disaster relief must define our shared desire to contribute to Asian economic growth and security.

12. Last but not least, India and Japan have made a significant contribution to multilateral institutions, in particular to the United Nations. We are committed to the comprehensive reform of the UN, including its Security Council, to ensure that the concerns and the aspirations of the majority of the UN membership are adequately reflected and multilateralism becomes an effective tool for addressing global challenges. India and Japan must continue to work together bilaterally and with our other G-4 partners, Brazil and Germany. I have no doubt that together we will convince the international community that they are better served by giving us the honour to bear a broader responsibility in multilateral and world affairs.
13. That brings me to perhaps the concluding part of my address, which is the great potential of India-Japan Economic partnership. Indeed, the logic for closer economic relations between us is more compelling today than ever before. A demographically youthful and economically vibrant India is on a robust growth path. We must take full advantage of the complementarities between our economies to bring about faster development and growth in India and continued prosperity in Japan. The financial and technological empowerment of India's vast and highly skilled work force, together with India's large and growing market, provide ample opportunities which are yet to be tapped. Unless we can bind our ties through economic cooperation, our ability to work together in the region and the world will be circumscribed.
14. Japan's assistance in building the Delhi Metro has won the hearts and minds of the citizens of our capital. We are now embarking together on an even greater challenge. The Dedicated Freight Corridors Project linking Delhi with Mumbai and Kolkata that our Government has just approved for implementation, will add a sub-continental dimension to our collaboration. It can become a national symbol of the new Partnership,
15. I, therefore, welcome the momentum which has been generated in

recent months to move ahead with the agenda of bilateral economic cooperation. I applaud the vision of your leadership to raise the status of economic engagement to a qualitatively new level. I am here in Japan to say that you can be certain of my government's commitment to ensuring that our economic engagement underpins our vision of a Strategic Global Partnership.

16. If India is to sustain its current high levels of growth over the next two to three decades, it must meet the challenges of energy and environmental sustainability. Today, more than 50% of India's energy requirements are met by coal and most of its energy supplies come from fossil fuels. If India is to significantly increase its energy output and address environmental concerns at the same time, we have to further develop our nuclear energy sources. With access to international cooperation in this field, we will be able to do so. Our agreement with the United States is motivated by this logic.
17. I am very conscious of the sentiments of the Japanese people on nuclear matters. However, I also trust in your wisdom to discern what lies at the heart of our efforts to secure stable energy supplies. India has an impeccable record on non-proliferation. We have also consistently been a leading advocate of the elimination of all nuclear weapons. I believe that Japanese are aware of India's adherence to the values of peace and non-violence. I am confident we will find common ground that balances our mutual interests and advances our cooperation and collaboration in this area too.
18. The goal of pursuing a Strategic and Global Partnership reflects our shared and long-term vision. Today, I am re-assured after my visit to Japan that our two countries are looking to expand their commonalities through increased interaction in bilateral, regional and multilateral issues. There is a growing convergence in our economic and security perspectives for the region. The success of our common endeavours to address geopolitical, strategic and economic challenges in a rapidly changing world will make a lasting contribution to advancing our shared goal of establishing peace, stability and prosperity across Asia. Let us work together in pursuing this common dream.

Thank you.



359. Media Briefing by Official Spokesperson on the visit of Japanese Vice Foreign Minister Shotaro Yachi.

New Delhi, May 14, 2007.

Official Spokesperson : Good evening. Basically, we have called this meeting to give you the flavour of the discussion between the visiting Vice Foreign Minister of Japan Mr Shotaro Yachi and the Foreign Secretary of India Mr Shivshankar Menon. These discussions took place at the delegation level through the entire morning and over lunch which the Foreign Secretary hosted for Mr. Yachi and his delegation. And I think the extent and the nature of the discussion would give you an idea of the depth of the bilateral relationship between India and Japan now and the issues that are being covered in the wake of the global and strategic partnership which was launched at the time of the visit of Prime Minister to Japan last year. After that, of course, you know the External Affairs Minister Mr. Pranab Mukherjee also visited Japan in March and the Japanese Foreign Minister Mr. Taro Aso was in India as an Observer for the first time during the 14th SAARC Summit.

In general terms, Mr Yachi called the Prime Minister of India's visit to Japan as an epoch-making which addressed the strategic and global partnership. In his turn, the Foreign Secretary when making his remarks also said that this is a relationship whose time has come, not only because of strategic congruence but also because of lot of shared common values and wide interests both political and economic. So in specific terms they covered the whole range of bilateral issues. I will go through some of them for you.

The Comprehensive Economic Partnership Agreement (CEPA) which is being negotiated at the moment and in this regard the Foreign Secretary mentioned that we are encouraged with the progress of the discussion during the second round of talks which was held in Tokyo in April this year. There was a broad agreement on modalities and hopefully, the pace will pick up now on these negotiations. Then, of course, two very important projects which are under consideration and actually under active processing now, one is the Dedicated Freight Corridor Project and in this considerable progress has been made internally within our own Government and we should be soon be able to make a proposal in more concrete terms to the Japanese side. The other project is the Delhi-Mumbai industrial corridor and on this also we are working towards finalizing the concept paper. So hopefully once the concept paper is ready we will be in position to discuss

this in greater detail with the Japanese side. The third area which was touched upon was the India Japan High Level Energy dialogue. Again the first dialogue meeting of this energy group between Shri Montek Singh Ahluwalia, Deputy Chairman of Planning Commission and the Minister of Japan was held in April in Tokyo and now in July further substantive discussion will take place in five working groups. Similarly, the first meeting for the High technology trade between India and Japan is to be held in June this year and a strategic economic dialogue is to be launched in July this year which will sharpen the focus on specific economic collaboration projects.

This broadly is the economic landscape. The other important area is the promotion of people-to-people contacts, in terms of increasing student exchanges, in terms of easing visa regulations for business people and for tourists and also cooperation in science and technology, in particular, cutting edge technologies, bio-technology, nano-technology, bio-informatics, these are going to be very important aspect of S&T part of the strategic and global partnership. The Japanese side also made a proposal to start a Japan-India Strategic Dialogue group. Essentially this would be a group in their view which would be discussing broad policy issue and this was accepted in principle by Indian side and the idea is it should be first be started at the official level and then see where it goes from there. Another project of interest is the Nalanda¹ University Project and that also came up for discussion. If you remember the Prime Minister has mentioned the intention to make Nalanda once again an institution of excellence and this is a project in which the Japanese are greatly interested. A mentors group has now being setup to see how to take this project forward and there are likely to be international academic figures in the mentors group.

Besides the bilateral issues which I have outlined considerable amount of time was spent in discussing regional issues. Amongst the regional issues first, of course, the East Asia economic architecture which consists of the East Asia Summit and other organs was discussed. Japan was very favourable in engaging India to attend the first East Asia Summit and both countries believe that this is a Summit which can lead on to an East Asia Economic Community. So that was discussed in some detail and ideas were exchanged to prepare for the third East Asia Summit in Singapore in November this year. The other regional issues - Foreign Secretary briefed his Japanese counterparts on South Asia, particularly in view of the fact

1. Ancient seat of learning in Bihar

that Japan is now an Observer in SAARC and they have a lot of interest in what is happening here he briefed them on the situation in South Asia, on how India sees developments in various countries at the moment. Mr. Yachi in his turn also gave a detailed briefing upon on North Korea and how Japan sees developments there. Other regional and international issues that they discussed included Iran, G 4 and UN Security Council reforms. In G4, I can mention that both sides agreed to continue to work closely together and keep in close touch both in Delhi and in New York. Also WTO issues and the Doha Round as well as global issues on which India and Japan are actively interested, particularly climate change, we both come to the subject from different point of views but still there is a lot of similarity in the thought and in terms of end objective that have to be achieved. They also discussed relations with China and Foreign Secretary at their request also gave them a briefing on his recent visit to the United States and developments in our negotiations with United States. So I think I have given you a fairly extensive detailed survey for this meeting. High level exchanges will continue in coming few months between India and Japan and we will keep you informed as we go along.

Question : Was the case on India at the Nuclear Suppliers Group also discussed at any length?

Official Spokesperson: Japan is fully aware about our concerns regarding energy and the need for energy for our development. They are also fully aware of the negotiations underway between India and United States. So they do appreciate that when the time is ripe, Nuclear Suppliers Group would take its decision and, of course Japan, is an important member of the NSG.

Question: Can you throw more light on that?

Official Spokesperson : I cannot go into more detail but I can tell you that the Foreign Secretary at their request gave them a detailed briefing on where the discussions were what he saw the situation to be and how the negotiations have developed since July 18, 2005. He reiterated our rationale behind seeking energy sources and the need for that in the light of India's economic development. Naturally, of course, the Nuclear Suppliers Group and Japan's role was also discussed.

Question : *Was what is happening in Pakistan discussed during the discussions on South Asia?*

Official Spokesperson : *What is happening in all the countries was discussed but we are not no commenting on any country. Pakistan was also talked about as also Bangladesh, Bhutan, Sir Lanka, and China. Whatever the specific comments were made, I don't want to say anything, since it was a confidential talk.*

Question : Do you have the date for the next round of negotiations for CEPA - Comprehensive Economic Partnership Agreement?

Official Spokesperson : Yes, there is a date - 25th of June in New Delhi.

Question : How much FDI flows have taken place since Prime Minister visited Japan?

Official Spokesperson : I don't have that figure.

Question : In international issues, was the situation in Iraq discussed?

Official Spokesperson : No, Iraq did not come up for discussion. Iran did in the nuclear context.

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(Text in italics is translation from Hindi)



360. Opening Statement by Deputy Chairman of the Planning Commission Montek Singh Ahluwalia at the India-Japan High Level Energy Dialogue.

New Delhi, July 2, 2007.

Your Excellency, I extend a warm welcome to you and your delegation. This is the second meeting since we met in Tokyo two months ago to kick off the High Level Energy Dialogue. I am therefore particularly pleased that you were able to visit India to carry forward the process we began in Tokyo.

Our dialogue today is an essential part of the broader comprehensive economic engagement between India and Japan. I am informed that Your Excellency will also be discussing the Delhi-Mumbai Industrial Corridor Project with my colleague, Minister Kamal Nath. Our Government attaches a great deal of importance to this project. We see it as a visible symbol of our new strategic partnership. Successful implementation of the project will also require an increase in energy availability, since we would like to see the Corridor becoming a manufacturing base for Japanese industry in India.

I would also like to say that we are delighted that Prime Minister Shinzo Abe will be visiting India next month. He will receive a warm welcome from the people and the Government of India. I am confident that his visit will also strengthen our partnership.

At our last meeting we agreed that issues relating to energy and the global environment are important to both countries and that it is important for both of us to develop a common understanding on how we can engage on these issues. I am happy to report that the five Working Groups formed as part of the dialogue have become operational and there have been intense discussions in the five Working Groups over the past few days. They have made progress in advancing our mutual understanding, and have also identified several important areas in which collaboration may be possible.

One area to which we attach importance is Japanese investment in the power generation sector. In this context, I would like to mention the recent initiatives by my Government in developing ultra mega projects, i.e., power projects of 4000 MW using super critical technology. I hope that companies from Japan will bid for these projects which are open for international cooperation. At our last meeting you had mentioned that Japanese companies are still not fully aware of the new policies in the power sector.

I hope the Working Groups have helped to advance the understanding of our policies by the Japanese side and we would be happy to engage further on this issue.

Energy efficiency and conservation is a very important aspect of our collaborative relationship. Both our countries have joined in the Cebu Declaration on East Asian Energy Security, and we are ready to take concrete action towards improving efficiency and conservation both domestically and through international cooperation. We are already taking specific steps in this direction, which we can share with you. We recognize Japan's great strengths in energy conservation and would hope you can assist us in capacity building and expertise. Your offer to send an expert to our Bureau of Energy Efficiency is greatly appreciated by us.

We would also like to expand our cooperation so that best practices in Japan can be utilized for formulation and implementation of policies and projects in India. This cooperation could be realized through activities such as training-of-trainers in India, introduction of top-runner program, capacity building of Energy Service Companies (ESCOs), and information dissemination and demonstration of new energy-efficient technologies. These activities could be implemented through regional centres of excellence which we are planning to set up in five geographical regions of India. I would welcome your response on these points.

Cooperation in the area of clean coal technologies is also very important from the point of view of the environment. Here too, I welcome the understanding we have reached on commencing a feasibility study on a model project for coal preparation. I also appreciate your offer of training for Indian experts. Further cooperation in strengthening safety features in Indian coal mines would also be very helpful.

New and renewable sources of energy, including bio-fuels are already an important aspect of our national energy policy. I propose that our two countries undertake joint research, design and development in specific areas such as MW scale biomass integrated gasification, combined cycle power generation systems, and solar photovoltaics and solar thermal technologies, so that we can share mutual benefit while also addressing global environmental concerns. While sharing of experiences in standards setting and policy formulation is important, I am sure you will agree that actual collaboration in R&D will demonstrate bilateral commitment in this crucial area of energy. I hope you will consider these proposals, and that we can agree to discuss these at the next round of the Energy Dialogue.

Earlier this month, Prime Minister Dr. Manmohan Singh addressed the issue of climate change at the Heiligendamm Summit in Germany. He underscored India's commitment to engaging with the international community to preserve and protect our environment. He also pointed out that India's GHG emissions are among the lowest in per capita terms. He also spoke of fair burden sharing based on the principle of common and differentiated responsibility and, more importantly, appealed to the international community to develop mitigation and adaptation strategies that would be adequately financed without detracting funds meant for economic development. Preservation of the environment cannot be at the cost of development and economic growth in developing countries. I would also like to draw attention to another element in our Prime Minister's statement in Germany - it is important that critical and promising clean technologies are made affordable for developing countries, and that IPR regimes should benefit both the innovator and humankind as a whole. The Clean Development Mechanism has worked well. Enhanced levels of GHG abatement commitments by developed countries would significantly stimulate CDM projects.

I have read with great interest about Prime Minister Abe's important initiative "Coal Earth 50". We welcome efforts by Japan to reach out to the international community, and in particular, Prime Minister Abe's proposal to create a new financial mechanism that will assist developing countries to utilize new technologies and promote energy efficiency and reduce Green House Gases. I believe that it is here that Japan and India can bilaterally show the way in which we can cooperate through practical projects and through joint research and development, to jointly develop and promote projects and technologies to address the problems of global warming. Our two sides should work together towards this objective through the India-Japan High Level Energy Dialogue Forum, as well as through multilateral efforts such as the East Asian Summit.

I propose that we continue our efforts to develop common understanding and to identify practical and realistic ways of cooperation, through regular meetings of the five Working Groups. Our next High Level Dialogue could be held in Tokyo in 2008.



361. Joint Statement between the Planning Commission of India and the Ministry of Economy, Trade and Industry of Japan on the Occasion of the Second Meeting of the India-Japan Energy Dialogue.

New Delhi, July 2, 2007.

H.E. Montek Singh Ahluwalia, Deputy Chairman of the Planning Commission of India and H.E. Akira Amari, Minister of Economy, Trade and Industry of Japan held the second meeting of the "India-Japan Energy Dialogue," a periodic ministerial-level energy policy dialogue between India and Japan, in Delhi.

The issues of climate change, energy efficiency and energy security were discussed at the G-8 Heiligendamm Summit in June as one of the top priority issues, to which H.E. Dr. Manmohan Singh, Prime Minister of India was also invited. H.E. Mr. Shinzo Abe, Prime Minister of Japan shared the importance of 'Cool Earth 50' at this Summit.

This second meeting of the India-Japan Energy Dialogue had considerable significance in view of the importance that both sides attach to cooperation in the area of energy.

1. Both sides discussed and arrived at a common recognition on the following points during the meeting:
 - (1) Humanity faces a very important challenge of concurrently achieving response to climate changes and sustainable economic development, and implementation of measures in the energy sector, including improvement of energy efficiency, is essential for addressing this issue.
 - (2) The most efficient and effective means of creating a virtuous cycle of energy security, economic development and environmental protection is to promote energy efficiency and conservation measures, as well as further development of the energy infrastructure.
 - (3) Cooperation in the energy sector is important to the relationship between India and Japan, and further cooperation in this sector between the two countries at both the government and industry levels would be mutually beneficial. It is important for both

countries to develop specific cooperation projects in the energy sector, including cooperation in clean energy and in energy efficiency and conservation through exchange of experts and capacity building, as well as through the participation of Japanese companies in the power sector in India. Therefore, both sides will work to actively promote cooperation in these fields.

- (4) Partnership efforts will be strengthened in the East Asia Summit (EAS), the Asia-Pacific Partnership on Clean Development and Climate (APP), and the Five Energy Ministers Meeting, which is scheduled to be held in Japan in June 2008, in order to ensure energy security and improve energy efficiency through these multilateral frameworks. Based on the "Cebu Declaration on Energy Security in East Asia" adopted at the Second East Asia Summit, both sides agreed to set individual goals and formulate action plans voluntarily for improving energy efficiency.
 - (5) The Ministry of Economy, Trade and Industry of Japan (METI) will actively support enhanced cooperation between the International Energy Agency (IEA) and India in areas such as promotion of energy efficiency and conservation, oil stockpiling and so on.
 - (6) Both sides recognized that India is actively pursuing energy efficiency enhancement measures through a range of policy initiatives, including labelling of appliances, launching of an energy conservation building code and establishing a process of audit and reporting of energy use in energy intensive industries and establishments.
2. In the meeting, both sides reached a conclusion on the following cooperation in order to concretize the common recognition set forth in 1 above and to build cooperative relationship in environment and energy sectors between the two countries. Ahead of the meeting, the five Working Groups and the Steering Committee established under the Energy Dialogue held meetings on June 28 and 29. A Joint Report prepared by the two chairs of the Steering Committee on the outline of the results of these meetings is attached hereto as an Annex.

(1) Cooperation in the energy efficiency and conservation sector

- (i) Both sides will enhance cooperation on energy efficiency and conservation between India and Japan by effectively using the Energy Efficiency Working Group established under the Energy Dialogue.
- (ii) METI highly values that India has enacted the Energy Conservation Law in 2001, which obligates reports on energy consumption and audit by energy auditors for 15 designated energy-intensive sectors and, by stipulating an approach using energy consumption norms, obligates these designated sectors to reduce their specific energy consumption through the enhancement of these policies eg. appointment or designation of energy managers, energy audits conducted by accredited energy auditors, implementation of techno-economically viable recommendations and submission of the reports on steps taken. India will accelerate this policy implementation and METI will support promotion of such efforts through capacity building and other measures described in v) and vi).
- (iii) Both sides will accelerate the formulation of energy efficiency and conservation policy respectively and will prepare collaborative working plans to enhance the policy implementation, that will be reviewed from time to time.
- (iv) METI, the New Energy and Industrial Technology Development Organization (NEDO), the Energy Conservation Center, Japan (ECCJ) and other organizations will actively cooperate on energy efficiency and conservation issues with Ministry of Power / Bureau of Energy Efficiency and with other stake holders, as decided mutually to achieve the efficiency and conservation policies and activities on the basis of the above Working Group discussions.
- (v) METI will cooperate to support energy audit evaluations

in specific industrial sectors (iron & steel, cement, etc), which can also serve as APP projects and to facilitate the smooth implementation of model projects (e.g., the ongoing Coke Dry Quenching [CDQ] Model Project in the iron and steel sector), which will be carried out by NEDO. In addition, METI will provide training on energy efficiency and conservation policy and technology for 200 trainees over the next three years as well as dispatch experts and hold workshops on industrial energy efficiency and conservation technology through relevant organs and/or bodies including the ECCJ.

- (vi) METI will dispatch an expert on a long term basis to the Bureau of Energy Efficiency (BEE) of the Ministry of Power of India through the ECCJ, considering that the long-term dispatch of an energy efficiency and conservation expert to the BEE for half year since from October 2006 was highly valued by the Indian side.

(2) Cooperation in the electricity and coal sectors

- (i) Both sides highly value the India Coal Preparation Workshop held by the Japan Coal Energy Center (JCOAL) in December 2006, the Workshop of the India-Japan Electricity Task Force held in Delhi in March 2007 by the initiation of METI, and the seminar and the presentations on coal and electricity, including clean coal technology (CCT), ultra-supercritical coal-fired power generation technology and grid management technology, held in Delhi as Working Group meetings ahead of this Energy Dialogue.
- (ii) Both sides welcome with great expectations the commencement of a new feasibility study on coal preparation model project, with relevant parties confirming their intention, in this Energy Dialogue, to make efforts for the implementation of the model project, which would be conducted by NEDO and the Ministry of Coal of India as a significant project in the electricity and coal sectors.
- (iii) The Indian side highly values the fact that the CCT

training project implemented by NEDO has accepted 34 trainees from India to date (FY2001 to FY2006). METI and NEDO will expand the CCT training project with the launch of a small expert training exclusively for Indian trainees starting this fiscal year, based on requests from the Indian side. Information exchange for further cooperation in strengthening coal mining safety features in Indian coalmines with specific reference to underground wireless communication, instrumentation and monitoring systems for mine gases, fires, inundation and strata monitoring would be explored.

- (iv) Both sides welcome conclusion of the exchange agreement on fields including power generation and the environment between Japanese and Indian electricity companies in February 2007.
- (v) Both sides welcome establishment of companies that manufacture and/or sell high-efficiency coal-fired power generation facilities (supercritical coal-fired power generation facilities) by private companies of the two countries.

(3) Cooperation in the renewable energy sector

Both sides will explore ways and means to further cooperation in the field of new and renewable energy.

(4) Cooperation in the petroleum and natural gas sectors

- (i) Both sides welcome the smooth implementation of the Joint Statement by METI and the Indian Ministry of Petroleum and Natural Gas and the Six Memoranda of Understanding (concerning "Cooperation in Exploration & Production sector in third countries", "Collaborative Research on Methane Hydrates", "Energy Studies in Asian Market", "Cooperation and Information Exchange on Hydrogen", "Cooperation for Energy Efficiency and Conservation" and "Strategic Oil Reserves") concluded between the relevant implementing ministries of the two countries in accordance with the above Joint Statement.

- (ii) Both sides welcome the steady development of the cooperation between ONGC Videsh Limited and Japan Oil, Gas and Metals National Corporation (JOGMEC), through holding the second meeting based on the MOU between both institutions on June 28 in time with this Energy Dialogue.
- (iii) Both sides highly value the results of the "Study on Asian Oil Market: Scope for Improvement of Asian Markets for Crude Oil and Petro-products" jointly carried out by the Institute of Energy Economics, Japan (IEEJ) and the Petroleum Planning & Analysis Cell (PPAC) of the Ministry of Petroleum & Natural Gas of India, and confirm to further implement research and study on a new theme.
- (iv) Both sides welcome the conclusion of a Memorandum of Understanding on cooperation in the methane hydrate field between the implementing organs of the two countries in February 2007.
- (v) METI makes proposal for bilateral cooperation on oil stockpiling through dispatching related experts to India and accepting the delegation to the relevant facilities in Japan by JOGMEC.
- (vi) Both sides welcome the extension of a Memorandum of Understanding on Energy Efficiency & Conservation between Petroleum Conservation Research Association, India and Energy Conservation Centre, Japan.

(5) **Facilitation of the activities of the projects by Indian and Japanese companies in each sector**

In order to support activities of projects carried out between Indian and Japanese companies in the energy sector, both sides will exchange information promptly on relevant policies of central and local governments among relevant Working Groups if

- (i) the request for information has been made by both Indian & Japanese organizations/private companies

involved in the project, and

- (ii) both heads of the said Working Group recognize the project related to the request to be making major contributions to the enhancement of cooperation in the energy sector.

(6) **Cross-sectoral cooperation**

- (i) Both sides highly value the fact that the First India-Japan Energy Forum co-hosted by NEDO and The Energy and Resources Institute (TERI) of India and held in Delhi in December 2006, immediately before the visit of H.E. Dr. Manmohan Singh, Prime Minister of India, to Japan, has greatly contributed to the launch of this Energy Dialogue. Both sides also welcome the decision by the two organizations to hold the Second India-Japan Energy Forum in Delhi this coming winter and confirm that the related ministries and agencies of the two countries will make active contributions for the success of the Forum.
- (ii) Both sides welcome with great expectations the new agreement concluded in time with this Energy Dialogue between the IEEJ and TERI for implementing academic and comprehensive joint research and study on various energy situations and challenges currently facing the world and those specifically facing India and Japan, and confirm that the related ministries and agencies of the two countries will make active contributions to the carrying out of the said joint research and study and the dissemination of the results thereof.
- (iii) Both sides re-recognized the importance of the role of private and public business operators in the two countries for promoting the clean development mechanism (CDM) projects based on the Kyoto Protocol. Bilateral cooperation based on the India-Japan Energy Dialogue will not be limited to what has been described above, and adjustments in connection with the implementation of activities under this Dialogue will be made as necessary. For the Planning Commission of India For

the Ministry of Economy, Trade and Industry of Japan

**For the Planning Commission
of India**

Montek Singh Ahluwalia

**(Deputy Chairman,
Planning Commission)**

**For th Ministry of Economy
Trade and Industry of Japan**

Akira Amari

**(Minister of Economy,
Trade & Industry)**

(ANNEX)

Joint Report of the First Steering Committee Meeting

Ahead of the Second Meeting of the India-Japan Energy Dialogue, India and Japan held meetings of the Electricity & Power Generation Working Group, Energy Efficiency Working Group, Coal Working Group, Renewable Energy Working Group and Petroleum & Natural Gas Working Group on June 28 and 29, 2007, and held the First Steering Committee Meeting on June 29, 2007 based on the results of the Working Group meetings.

Vijay Gokhale, Joint Secretary (East Asia) of the Ministry of External Affairs of India and Tomofumi Hiraku, Director-General for Natural Resources and Energy Policy of the Agency for Natural Resources and Energy of Japan who are co-chairs of the Steering Committee prepared the Joint Report on the First Steering Committee Meeting as follows.

1. Reports on meeting results from the Working Groups

At the First Steering Committee Meeting, the committee first heard the reports on the meeting results from the Working Groups as follows.

- (1) Electricity & Power Generation Working Group (9:30 - 12:00, June 28 at Ministry of Power)
 - (i) After welcome and opening remarks, Indian side made presentations as follows;
 - (a) NTPC (On improving efficiency of power plants and introduction of new generation technologies),
 - (b) PGCIL (On expansion of the National Grid and adoption of latest technologies),

- (c) CEA (On improving efficiency of pumped storage projects) and
- (d) CII (On industry perspective)
- (ii) Then, Japanese side made presentations as follows;
 - (a) METI (On the results of the "Workshop of the India-Japan Electricity Task Force" held in Delhi on March 9, 2007),
 - (b) Mitsubishi Heavy Industries, Ltd. (on Ultra-supercritical coal-fired power generation technology, etc.),
 - (c) The Federation of Electric Power Companies of Japan (on Innovative Technologies for Power Grid),
 - (d) Japan Machinery Center for Trade and Investment (on Advantages of Japanese plant engineering in power sector) and
 - (e) Institute of Energy Economics, Japan (on the future outlook of supply and demand of electricity and energy in India and the whole of Asia)
- (iii) After the above presentations, both sides held discussions on way forward in line with the "Joint Statement between the Planning Commission of India and the Ministry of Economy, Trade and Industry of Japan on the Launch of the India-Japan Energy Dialogue"(hereafter referred to as the "First India-Japan Joint Statement on Energy"), on the 23rd April" and concluded the Working Group.

(2) Energy Efficiency Working Group

- (i) At the Working Group, both sides discussed on the expectation toward and the scope of the Working Group in conformance to the matters set forth in the First India-Japan Joint Statement on Energy on the 23rd April.
- (ii) Then, both sides introduce its energy efficiency policy, and exchange views on effective energy efficiency policy.
- (iii) After that, related agencies in both sides made reports on the past and current cooperation between Japan and India in the area of

energy efficiency. From Japanese side, NEDO explained her projects in India such as CDQ project, ECCJ presented the results of training program and expert dispatch to the BEE and IEEJ talked on own research of energy efficiency potential in India. From the Indian side, BEE made three presentations on promoting end-use energy efficiency in India, ongoing cooperation between India and Japan and future areas for cooperation between both sides.

- (iv) Finally, both sides discussed the possible future cooperation in the area of energy efficiency.

(3) Coal Working Group

- (i) The Japanese participants of the Working Group visited and inspected the Dadri Coal-fired Power Plant and Centre for Power Efficiency & Environmental Protection (CenPEEP) operated by the National Thermal Power Company Limited (NTPC) on June 27, and held an opinion exchange meeting with the persons concerned.
- (ii) At the Working Group meeting, discussions were held on the future direction of the India-Japan coal cooperation in the form of a one-day seminar, in conformance to the matters set forth in the First India-Japan Joint Statement on Energy.
- (iii) The Japan Coal Energy Center (on Cooperation progress relating to coal between India and Japan) (on Japanese underground communication technology) (on Adequacy and advantageous effect of Japanese coal preparation technology for Indian coal), NEDO (on NEDO's initiative to disseminate Japanese clean coal technology with Asia), AIST (on new developments of coal utilization technology), the JBIC (on the JBIC's operation for coal sector for India), and Mitsubishi Heavy Industries Ltd. (on Technology which makes use of coal fitting with environment) on Japan's side respectively made presentations.
- (iv) Central Mine Planning & Design Institute Ltd (on Possibility of clean coal technology- introduction & deployment), Coal India Ltd, (Beneficiation of non coking coal), and Central Electricity Authority (on Possibility of technical cooperation on CCT) on India's side respectively made presentations.
- (v) To conclude the seminar, both sides stated opinions on the future proceedings of the Working Group.

(4) Renewable Energy Working Group

- (i) At the Working Group, both sides stated opinions on the purpose and scope of the Working Group in conformance to the matters set forth in the First India-Japan Joint Statement on Energy on the 23rd April.
- (ii) Then, both sides provided systematic explanations on the current status and challenges of their respective renewable energy policies.
- (iii) After that, related agencies made reports on the past and current cooperation between Japan and India in the area of renewable energy. NEDO presented possible cooperation project in the area of biomass, AIST explained the cooperation project on standardization of bio-diesel fuel, and IEEJ presented the results of training program on renewable energy.
- (iv) Both sides will explore ways and means to further cooperation in the field of new and renewable energy.

(5) Petroleum & Natural Gas Working Group

- (i) At the Working Group meeting, discussions were held in conformance with the matters set forth in the First India-Japan Joint Statement on Energy.
- (ii) First, both sides stated opinions on how resources development cooperation should be promoted in India and third countries, based on the results of the meeting held with ONGC Videsh Limited and JOGMEC on June 28.
- (iii) Secondly, JOGMEC once again explained the proposal for cooperation on oil stockpiling, which it had announced in December 2006, and the Indian side stated opinions on the said proposal.
- (iv) Then, both sides stated opinions on evaluation of the study on Asian oil market jointly conducted by the IEEJ and the PPAC, and agreed that both sides will continuously carry out joint study on appropriate themes concerning the petroleum and gas sectors.
- (v) After that, DGH, India and JOGMEC explained each other the way to make mutual cooperation on Methane Hydrates Technology.

2. Common projects concerning all five Working Groups Then,

discussions were held on common projects concerning all five Working Groups at the First Steering Committee Meeting.

- (1) **Second Energy Forum** : Both sides highly valued the First Energy Forum that was held in December 2006, and welcomed the decision by NEDO and TERI to hold the Second Energy Forum in Delhi this coming winter as well as confirm that the related ministries and agencies of the two countries will make the necessary contributions. (For the purpose of explaining this matter, the representatives of TERI and NEDO participated in the Steering Committee meeting as observers.)
- (2) **Joint research and study by the IEEJ and TERI** : Both sides welcomed the agreement on joint research and study concluded between the IEEJ and TERI for implementing academic and comprehensive joint research and study on various energy situations and challenges currently facing the world and those specifically facing India and Japan, and for releasing the results thereof to the two countries as well as the rest of the world. Both sides also confirmed that the related ministries and agencies of the two countries will make active contributions to the carrying out of the said joint research and study and the dissemination of the results thereof. (For the purpose of explaining this matter, the representatives of TERI and IEEJ participated in the Steering Committee meeting as observers.)

Vijay Gokhale
Joint Secretary
Ministry of External Affairs

Tomofumi Hiraku
Director-General
Natural Resources and Energy
Policy, Agency for Natural
Resources and Energy



362. Press Release of the Ministry of Finance on the first meeting of the India-Japan Strategic Dialogue on Economic Issues.

New Delhi, July 18, 2007.

The first meeting of "India-Japan Strategic Dialogue on Economic Issues" set up recently, was held here today under the co-chairmanship of Finance Secretary, Government of India and Deputy Minister of Foreign Affairs, Government of Japan.

During the dialogue the current status of agreed minutes as a follow up of Prime Minister's visit to Japan in December 2006 as reflected in the Joint Statement signed between Prime Ministers of India and Japan on 15th December 2007 and subsequent summit meetings were reviewed.

The discussions covered a wide range of topics including Official Development Assistance from Japan, Infrastructure, Trade and Investment, Finance, IT, Science and Technology, Human Resource Development, Energy and Environment etc. The discussions in infrastructure development sector included the Delhi-Mumbai Industrial Corridor and the Dedicated Freight Corridor projects. The status of current negotiations on Economic Partnership Agreement (EPA) between India and Japan was discussed.

Both sides agreed to firm up concrete deliverables before the forthcoming visit of the Japanese Prime Minister to India in August, 2007.



363. Media Briefing by Foreign Secretary Shivshankar Menon on Japanese Prime Minister's visit.

New Delhi, August 20, 2007.

Official Spokesperson: Good afternoon everybody. Welcome to this briefing by the Foreign Secretary on the visit of the Prime Minister of Japan, which begins tomorrow. I request FS to make his opening remarks and then we will take questions.

Foreign Secretary: Good afternoon ladies and gentlemen. I thought I would give you a preview of the visit of His Excellency Mr. Shinzo Abe, Prime Minister of Japan. He will be arriving tomorrow afternoon on a state visit. He will be in India until 23rd afternoon when he returns. He will be in Delhi tomorrow and all of the 22nd. On 23rd he goes to Kolkata, spends a day there, and then returns home from there.

He is coming with a very large business delegation. He will also be accompanied, in what is unusual actually, by several Vice-Chancellors of Japanese Universities. The Business Delegation, I believe, is of over a hundred people, which is a measure I think of how our relationship has grown in the last few years.

Prime Minister Abe's visit comes after Prime Minister Manmohan Singh's visit last December to Japan, which itself was preceded by the visit of Prime Minister Koizumi in 2005. We have an agreement in fact that we will have annual high-level summits as our relationship moves into actualizing and realizing in practice the strategic and global partnership that we have now declared between our two countries. It is interesting that Prime Minister Abe's visit is 50 years after the first visit of the Japanese Prime Minister to India, Prime Minister Kiichi in 1957 who was Prime Minister Abe's grandfather. So, you have a historical connection there.

While he is here, he will call on the Rashtrapatiji. He will be having talks with the Prime Minister. The External Affairs Minister and the Leader of the Opposition will also call on Prime Minister Abe. In what is a special mark of respect, he will be addressing a Joint Session of Parliament day after tomorrow, on the 22nd morning.

In another departure from official protocol in a standard official visit, Prime Minister and Mrs. Gursharan Kaur will be hosting a private dinner for Prime Minister and Mrs. Abe tomorrow evening after their arrival.

The India-Japan relationship has over the last few years both broadened and deepened which is why we now call it a strategic and global partnership - strategic both in terms of its long-term significance, the importance that we attach to the relationship, the importance that it has for India, but also in terms of the broader canvas on which, and the range of issues on which, we now exchange views, work together, including Asian integration and other issues which we have now started. Ever since the visit of Raksha Mantri in 2005, we started now exchanges in other fields. So, we now have actually a relationship which covers all the major fields that States work together in. And we expect that the exchange of views during this visit will help us to add new dimensions to this strategic and global partnership that we enjoy with Japan. It is our expectation that we will naturally concentrate also on the economic relationship which has several hopeful features.

As you know, we are in the process of discussing a comprehensive economic partnership agreement with Japan. This was decided last year when Prime Minister Manmohan Singh went to Japan. We hope to complete that process in two years. We are making steady progress and the leaders will review what we have done.

We also have some other big economic items that we have discussed before, which we are trying to bring to fruition. Some, of course, have already worked, are working very well. The Delhi Metro is a good example of that, which many of us use everyday. More than that we are also discussing dedicated freight corridors - Delhi-Mumbai, Delhi-Kolkata; and we are discussing a Delhi-Mumbai industrial corridor which will involve several States. These are very big ideas and infrastructural projects which will naturally need considerable effort before we can actually realize them, but we are in the process of discussing them with Japan to see how they can help. We are also convinced that the growth of the Indian economy has created new opportunities for both trade and investment. This is why, as I mentioned, about a 180 senior business leaders are coming with Prime Minister Abe and there will be a very full programme for them.

I mentioned new dimensions to the relationship and I mentioned that there will be Vice-Chancellors accompanying Prime Minister Abe. One of the ideas that we have been talking about is to see how we can get our educational institutions to work together - not just exchange of students but also the institutions themselves. We are hoping that when the Vice-Chancellors come here, they will have a chance to talk with our Vice-Chancellors, with the Directors of our IITs. We can then find new ways of

promoting academic exchanges between the two nations. This is the first time that we would be doing something of this kind at such a high level.

We also hope to review our science and technology relations which, as you know, have been longstanding. Japan for us has been a very valued partner in scientific research.

For the rest, I do not want to try and prejudge what the leaders will be talking about and what they will come up with. We will tell you about it once that is done. I would expect them to cover the entire range of political issues. There are issues where we have worked together very closely, such as in the G-4 when we have worked for the UN Security Council reform. There were also Asian integration issues, formation of the East Asia Summit (EAS) and other work for an open economic architecture in our own region; and also some defence and security issues which affect both sides. We are both interested in open sea lines of communication. We both depend on these for much of our energy imports. Our goal is to try and increase our trade volumes considerably. If our negotiations on the Conference of Economic Partnership Agreement make headway, we hope to be able to set ourselves ambitious targets for this.

We now have with Japan several dialogues which we hope will result in more concrete actions. One is, of course, India-Japan Energy Dialogue which just began last year; and we have a science and technology initiative. We look forward to carry these through.

For the present, I think I will leave you with that. I will be happy to answer any questions that you might have about the programme and about the visit.

Question: Obviously, we wanted to also know about the talks with Japan on the nuclear deal. Did you seek some support in the NSG from Japan? Are you hopeful after this visit of some kind of statement from Japan supporting the nuclear deal?

Foreign Secretary: I do not think we had asked them for support to the nuclear deal. The deal is something between us and the US. I think we will naturally discuss the international framework for civil nuclear cooperation and how it should be changed. Certainly we will look forward to discussing that issue. I think you know what we will say. Let us see what they say, and I will tell you after the talk end.

Question: Mr. Menon, with regard to one of the points which you mentioned on the defence and strategy issues, did the issue of quadrilateral strategic forum come up? Is there a Summit lined up among the four powers? When is the initiative likely to be announced?

Foreign Secretary: I do not think the idea which has been floated sometime ago has come to that stage yet where one can give definitive answers like this as to when there is going to be a summit. No, I do not think anything like that has been discussed. The idea of a quadrilateral dialogue is really one of several dialogue forums which exist today in, as I said, the open regional architecture in Asia. If you look at it, we have ARF, we have bilateral security and defence dialogue with several countries in the region, and we do exercises with several countries - with China, with Japan, with other countries as well. This is an idea that Japan had suggested as one more forum. But I do not think the idea has quite got to the stage where one can say yes, there is going to be this kind of action, or somebody is going to do anything else yet. I think it is an idea which is still being discussed between various countries.

Question: China seems to be quite upset with this idea. Have they issued any demarche with regard to this issue?

Foreign Secretary: I think it is best you ask the Chinese themselves directly what they think. As far as we are concerned, this is one of the ideas which is on the table which so far has not reached the stage where one has to take a very clear view on what one thinks of it or not. It is just one of the many ideas.

Question: Mr. Menon, when do the talks with IAEA begin on the nuclear deal?

Foreign Secretary: I said I was happy to take any questions about the visit. On the rest of it, frankly on the nuclear - I am not sure other people are going to try this as well - Prime Minister has made a statement in Parliament. It is in parliament. They are going to have a discussion in Parliament. You cannot expect me, as a bureaucrat, now to start commenting on what is really at a whole other level. So, I think it is best that you do not try it.

Question: On the economic front, what was expected from business somehow that enthusiasm seems to have died down because of political developments both in Japan and what is happening now here. Is there any big agreement that we could expect during this visit? Only two months

ago both sides had agreed at least on the DMIC, the framework agreement would be ready by the time Abe reaches. Also ...(inaudible)...

Foreign Secretary: I am not sure that there has been any slippage on any of these. I think DMIC is a much more complicated project. It includes several infrastructure projects. DFC, I think in any case we were expecting a feasibility report, just the feasibility, by October. That is what we had anticipated even last year when we talked about it. The rest of them are all on course as far as I know. I do not see any diminution in business interest either. If there were, then you would not have a 180 people coming. In fact, the numbers have just kept increasing over the last two months. So, I would not draw that kind of connection.

If anything, what I see is tremendous interest. The economic fundamentals are sound in both places. Both people expect the business to increase. CIPA negotiations are on track. So, as far as I can see, it is going very well on the economic side. I do not see what you seem to see, which is some slowing down, no. But I think you have to recognize that these are not projects which are simple. These are multiple projects built into - look at the DMIC, look at the dedicated freight corridor - these are large sums of money, very complicated integration functions, if you look at it from the Government point of view. And business has to be involved in it at various levels. So, to say that it should be done in six months or seven months I think is really unreasonable. It is really a process. We started a process and the measure of our ambition is the fact that today we consider projects like this. Five years ago we would not have had the nerve to talk about a 90 million dollar project and putting it to the other and both of us seeing what we could do to realize this. So, when you look at it, I think you should look at it like that.

Question: India's relations with Japan were often described as being the missing link in India's ...(inaudible)...following the 1991 reforms. Some people see the coming together of India and Japan as the desire on the part of both countries to grapple with the rise of China. Is that how you see it?

Foreign Secretary: I do not think it is zero sum game. I do not think our relations with Japan are at the cost of our relations with China, or that our relations with China are at the cost of our relationship with Japan. I say this not only because that is what we would like, but because if you look around the world today, it seems to me that all the major powers are cooperating with each other, talking to each other while we work our way towards greater

prosperity, and it seems to be working. If you look at the world economy and how rapidly it has grown over the last few years and how well it is doing, whether it is not just Asia but the world as a whole, I think this seems to work. I think the risks come when we start seeing it as a zero sum game and it is not, fortunately. I think our recent experience proves that.

Question: There have been some reports that JAICA is now ... at the cost of the freight corridor and also has some concerns about some of the in the freight corridor. ... that this trip would resolve and make ...

Foreign Secretary: I think the actual cost, the details of the corridor, much of that has to await a feasibility report. That is what the report is supposed to do - to sort that out, to decide which bits are feasible and which are not, which costs are reasonable and which are not. We are still at the stage of actually designing this project. For the freight corridor, we expect the feasibility report in October. I am told by the people who are involved that they are on track and they expect it on time. I think then that would be the time when we start seeing how exactly we go about implementing it. But until we know the shape of that, it is a little bit early.

Question: As far as the industrial corridor is concerned, it is from Delhi to Mumbai. That is what is planned. There are supposed to be a series of industries all along that route. Do you expect this time a lot of Japanese investment because there are Indian firms which are already there. Of course, there are gaps in that corridor. Do you expect promises of investment by Japanese firms in that corridor? Secondly, do you see any differences between India and Japan on the climate change?

Foreign Secretary: On the Delhi-Mumbai industrial corridor, I think what we think is basically the freight corridor will give firms and others who use this infrastructure, this corridor, a tremendous advantage; will make it much more attractive for firms to undertake investments to commit to that corridor. In a sense, it is a synergy that you build up. The more you can get manufacturing and so on along that route, and the infrastructure develops itself, the infrastructure starts being justified by the manufacturing and vice-versa. It is a sort of virtuous cycle. This is something that will take sometime. It is not something that one visit, everybody comes here and invests. But what we think is very significant is that such large numbers of Japanese firms at very high levels - if you look at the levels of the CEOs who have come, it is impressive that they are coming - give us a chance to discuss this in full detail to show them what is planned, how we expect to do it, to hear their ideas also about what they would like. There might be some

investment decisions but we see this as really a long-term sort of strategy. Once that strategy is clear, I think the commitments will follow. So, we see this as a useful step, taking one step forward. But it is one step in a process.

On climate change, Prime Minister Abe has made known some of his ideas, he has a Cool Earth 50 Initiative and his ideas of how we need to address climate change. I think there is a general recognition that this is a major issue for all of us. For India especially, it is a very big issue because we, given the nature of our economy, the nature of our landmass, are among those who would most affected if there is extreme climate change. So, we have an interest actually in working together to finding solutions. Today, in the world there are several ideas on the table. Prime Minister Abe ideas, we would welcome this as a contribution to the dialogue that is going on. There are other ideas as well, as you know. We as India will participate in discussing these ideas and evolving a framework within which the world can deal with this issue.

In our view, the right place to do that is ultimately the UN because that is the multilateral framework where everybody is represented and where we can undertake international commitments; we know how to. Since Rio, we have the UNFCCC, we have a framework within which we do it. But that does not mean that you cannot have dialogues, talk about other ideas, bring them all on to the table, and then bring it together in some form which is multilaterally binding in the UN framework. I think the UN in December will have the COP - the parties to the UNFCCC will be meeting. But before December, there will be a whole series of meetings. Japan will chair the G-8, will be the Presidency of the G-8 next year. I assume that as we move towards a post-Kyoto situation that now all our dialogues on climate change will gather more and more momentum. So, we look forward very much to discussing this with Prime Minister Abe. Since he has ideas, he has positive ideas for the future, we look forward very much to discussing that with him when he is here.

Question: As you said, you are not very comfortable right now to answer questions on the deal, but since you have been ...

Foreign Secretary: I am comfortable, but I would not answer questions on that.

Question: But since you have been actively involved in the negotiations, just technically speaking, is there hope left, or luxury of fantasy

Foreign Secretary: Do not try. I said, do not try.

Question: What are the agreements that are going to be signed? Are there any?

Foreign Secretary: I think we are working on a declaration. We are also working something on climate change. For the rest, frankly if we are doing annual summits and so on, we are not trying to cluster agreements. We will sign them as and when they happen.

Question: There were other aspects (to India-Japan bilateral relations) signed in 2005 and 2006 in the applied joint research in space and joint research in high-end science, technical universities etc. - what has happened to that? What is the report card on that?

Foreign Secretary: When we finish the visit, we will tell you because we are trying to take many of them forward. We are in the process of discussing them with our Japanese colleagues. We will see, at the end of the talks I think we will do a sort of status on all those. All those are on the table and have actually moved forward considerably.

Question: Will we be talking to Japan about civil nuclear energy in general?

Foreign Secretary: Yes, we would.

Thank you.



364. Address of Prime Minister Dr. Manmohan Singh to Japanese Business Delegation accompanying the Japanese Prime Minister on his visit.

New Delhi, August 21, 2007.

Your Excellency Prime Minister Abe, My Cabinet colleagues Shri Chidambaram and Shri Kamal Nath, Leader of the Japanese Business Delegation, Mr. Mitarai, Ladies and Gentlemen,

It is a great pleasure and honor to welcome you all. I thank Prime Minister Abe for taking the initiative of bringing such a distinguished business delegation to India.

Excellency, I express my admiration for the ambitious vision that you have often set out in your speeches - of close economic engagement between India and Japan. I truly believe that such an engagement, between Asia's largest democracy and its most developed one, will create an "arc of advantage and prosperity" through out Asia.

In December 2006, during my visit to Japan, Prime Minister Abe and I decided that the time had come for our two countries to raise our ties to the level of a global and strategic partnership. In today's changed international system, the political, economic and strategic interests of India and Japan have never been so convergent.

The core element of our global and strategic partnership is a comprehensive economic engagement between the two countries. To accelerate this process, we decided to establish a Special Economic Partnership Initiative. This initiative will focus on key projects in areas ranging from the transport sector to industrial infrastructure, technology and education.

There are enormous complementarities and commercial potential that exist in a strategic alliance between a technologically advanced, mature industrial economy like Japan's and a rapidly growing developing one like India's. Japanese automobile industries like Toyota, Honda and Suzukj have located parts of their global production chains in India. We need more such models and examples of mutually beneficial collaboration in other sectors.

Today, the Indian economy is in a position to sustain GDP growth rates that are close to 9%. Foreign Exchange reserves stand at US\$ 200 billion. We expect to receive Foreign Direct Investment of about US\$ 30 billion this year. Our savings and investment rates are above 30%. Our foreign trade

constitutes 33% of our GDP, which is a testimony to India's growing integration into the global economy. We have a very favourable demographic profile and a strong educational system to support rapid industrialization.

It is our aspiration to reach and sustain double-digit rates of annual economic growth. The guiding principle will be to harness this growth towards employment generation, poverty reduction and human development. As businessmen, you will understand the implications of these policies in terms of their impact in the years ahead on our labour and consumer markets.

I do recognize that sometimes problems do arise in implementing some of the policies that we adopt. We must recognize the complexities of a large and diverse nation like India and the needs and aspirations of different sections of our people. But we have shown over the past many years that we can resolve and manage effectively these pressures and contradictions and build a durable and stable policy framework. I assure you that we will address your concerns in the same spirit of transparency.

We have seen and expect to further see a massive increase in investment, both public and private, domestic and foreign, in our infrastructure. The institutional architecture for sustaining high levels of investment in infrastructure has been put in place - public private partnerships, systematic bidding systems, viability gap funding and other financing mechanisms and standardized approval procedures. These are already giving results. The increased investment in infrastructure is driving growth as well as demand.

It is the intention of our Government to create and sustain an environment conducive to risk taking and long-term investment in India. Over the past few years, our FDI regulations have also been made more liberal, transparent and investor friendly. A comprehensive review of the FDI policy was undertaken last year. We are working to ease the supply constraints in the availability of skilled labour. Even so, we are open to your suggestions and promise a careful consideration.

Japanese companies are known for taking a long-term view of their businesses. I believe that India has much to learn from your corporate philosophy and practice. We are keen to learn from you about how to build an environmentally sensitive industry; corporate involvement in skill development; socially responsible advertising and so many other issues that today's managers must grapple with.

For far too long the economic engagement between India and Japan has

lagged behind our political ties. We now have the opportunity to make up for lost time. We are discussing some very big flagship bilateral projects such as the Delhi-Mumbai Industrial Corridor and the Rail Freight Corridors. These projects will open up huge opportunities for Japanese industry and I hope that you will actively partner the government in making a success of these initiatives.

It is against this backdrop that PM Abe and I have established the India-Japan Business Leaders Forum. At the end of the day it is business leaders like you who will give substance to our joint vision of a unique economic engagement between India and Japan.

On behalf of the Government of India, I once again welcome all of you to India. I do hope that your visit and interactions will be productive and fruitful, and that you will avail of this opportunity to see first hand the opportunities India offers today. I also hope that you will become part of our growth story, as we shape an economy that reflects the aspirations and confidence of a billion strong population.

Thank you.



365. Speech of Prime Minister Dr. Manmohan Singh at the Banquet hosted in the honour of Japanese Prime Minister.

New Delhi, August 22, 2007.

On behalf of the Government and people of India it gives me immense pleasure to welcome you, along with all the distinguished members of your delegation, to India.

Excellency,

Your visit marks a historic milestone in our bilateral relations. Fifty years ago your grandfather, the late Prime Minister Nobusuke Kishi, made his path-breaking visit to India.

That visit laid the foundation of our partnership in the modern era. Today, it is our privilege to welcome you not only as the inheritor of a great legacy, but also as an architect of strong Indo-Japan relations. We deeply appreciate your personal commitment to realizing our common vision of building a strong bilateral relationship of lasting value. We applaud your efforts to make Japan a 'beautiful' country.

Excellency,

Our two ancient cultures have had exchanges as far back as recorded history takes us. We admire the Japanese way, which emphasizes harmony, balance and moderation. We strive to emulate the individual and social attributes that have made Japan the shining light of modern Asia.

You have been a valuable partner in our economic progress and a friend in times of need. Our contemporary bilateral relationship is on the verge of full bloom. Our talks today give us the confidence that the strategic dimension of our relations will be further consolidated in the years ahead.

On the pillars of this strong bilateral relationship, we stand as two major powers ready to play a commensurate global role in dealing with challenges such as terrorism, climate change and energy security.

We believe that a strong and dynamic Japan is a factor of peace and stability in Asia. As two leading democracies of Asia, who share common values, our combined voice can contribute decisively towards the building of a new Asia and a new economic community that is open and inclusive.

We have turned a new page in our ties with the dawn of this century. We

have added vitality and depth to our ties through enhanced political understanding, economic partnership, cultural exchange and cooperation in emerging areas such as environment and energy security.

We have today laid out a Roadmap for our future partnership. Let us pledge to walk resolutely on this path and usher in a glorious era in our age-old ties. This is what we owe to our people, and to future generations. We must make up for lost time.

Excellency,

Your inspiring address to our Parliament this morning left a deep impact. A strong India and a strong Japan will work together in harmony and peace to build a perfect partnership.

Excellencies,

Ladies and Gentlemen,

May I now request you to join me in raising a toast to :

- The good health of His Excellency Prime Minister Shinzo Abe and Madame Akie Abe;
- The well-being and prosperity of the friendly peoples of Japan and India; and
- To everlasting friendship between India and Japan.

Thank you.



366. Joint Statement issued during the visit of the Japanese Prime Minister Shinzo Abe on the Enhancement of Cooperation on Environmental Protection and Energy Security.

New Delhi, August 22, 2007.

1. Prime Minister of India, H.E. Dr. Manmohan Singh and Prime Minister of Japan, H.E. Mr. Shinzo Abe reached common recognition today that the issues of energy security and the environment are important priorities that require sustained and effective action by the international community. They acknowledged the importance of ensuring stable and affordable energy supplies that are essential for the two economies. They also recognised the urgent need to address the issues of global warming and climate change. The two Prime Ministers decided to work together to address these issues in the context of the "India-Japan Strategic and Global Partnership".
2. The two leaders arrived at a common recognition that meaningful progress in the areas of energy security and the environment should be made through individual and collective efforts in a manner that does not foreclose the possibilities of accelerated economic and social development. The two leaders also shared the recognition that India and Japan can work together to find pragmatic and practical solutions which will contribute to regional and global efforts in these areas.
3. The two leaders confirmed their intention to work constructively with each other and with other countries in multilateral fora such as United Nations Framework Convention on Climate Change (UNFCCC), East Asia Summit (EAS), EAS Energy Ministers Meeting, the Asia-Pacific Partnership on Clean Development and Climate and the Five-Party Energy Ministers Meeting.
4. Based on the above recognition, the two leaders are determined to enhance and strengthen dialogue and cooperation in the following areas:
 - A. Climate Change**
5. Prime Minister Abe elaborated upon the "three proposals and three principles" that constitute the main pillars of his proposal "Cool Earth 50" presented in May 2007 to address climate change. Prime Minister

Singh appreciated his proposal as a contribution to the global debate to address climate change.

6. Prime Minister Abe particularly emphasised the need to set a long-term target to cut global emission by half from the current level by 2050 in order to stabilise atmospheric concentrations of greenhouse gases (GHG).
7. Prime Minister Singh underscored that the determination of any particular stabilisation goal and the time-frame in which it should be achieved needs to be made at the United Nations Framework Convention on Climate Change. This should be preceded by scientific consensus on impacts at different levels of GHG going beyond the current IPCC findings, which still document many uncertainties. Prime Minister Abe's proposal should also receive serious consideration in this context.
8. The two leaders recognised the importance of invigorating discussion on these issues at various fora. They expressed their determination for a flexible, fair and effective global framework and concerted international action beyond 2012 in which all countries participate to address climate change in line with the principles of the UNFCCC.
9. The two leaders recognised the importance of ensuring synergy between economic growth and environmental protection through mitigation and adaptation strategies including utilisation of energy conservation and other technology. They also shared the view that any stabilisation goals and the time-frames to achieve the same should be determined under the UNFCCC, and should be preceded by a scientific consensus.
10. Prime Minister Singh welcomed the efforts by Japan to meet greenhouse gas emission targets set under the Kyoto Protocol including launching of national campaigns. The two leaders decided to continue cooperation to promote the use of the Clean Development Mechanism (CDM).
11. The two Prime Ministers confirmed their intention to take pragmatic steps to address climate change in their respective countries in accordance with the principle of common but differentiated responsibilities and respective capabilities as also national circumstances.

12. Prime Minister Singh also appreciated Prime Minister Abe's willingness to create a new financial mechanism with substantial size of funds for relatively long-term, to assist developing countries with high aspirations instead of diverting the existing financial assistance, and to call on other industrialised countries and international organisations to respond and take part in international cooperation. Both Prime Ministers recognised the importance of providing adequate resources for adaptation strategies.

B. Energy security

13. The two leaders shared the view that cooperation between India and Japan in the area of energy at both the government and industry levels will be mutually beneficial to promote both countries' efforts for enhancement of energy security. They also noted with satisfaction the steps being taken by both countries to develop specific cooperation projects in the energy sector, including cooperation in energy efficiency and conservation and in clean energy, as well as through the participation of Japanese companies in the power sector in India.
14. The two leaders welcomed the outcomes of the Second India-Japan Ministerial-level Energy Dialogue held in New Delhi in July 2007 to promote comprehensive cooperation in the energy sector. They reached the conclusion that this Dialogue should be held annually and that its scope could be broadened through mutual consensus to cover other aspects of cooperation and collaboration in the energy sector.
15. The two leaders reaffirmed the importance of promoting energy efficiency and conservation as a means of ensuring energy security and addressing climate change by among others implementing voluntary goals and action plans based on the "Cebu Declaration on East Asian Energy Security" issued during the Second East Asian Summit held in January 2007. The two leaders also confirmed the importance of usage of clean technology as part of a global response. Prime Minister Abe acknowledged the importance of accessibility for clean technology in cost effective manner to developing countries. Prime Minister Singh acknowledged Japan's expertise in clean energy technologies and welcomed Prime Minister Abe's willingness to cooperate to share Japan's expertise and technology in this important field with India. Prime Minister Singh confirmed that India will accelerate the implementation of a range of energy efficiency policies and

measures for improving energy efficiency in all possible sectors and Prime Minister Abe welcomed India's efforts. The two Prime Ministers noted the importance of cooperation through such activities as training-of-trainers in India, introduction of top-runner programme, capacity building of professionals involved in energy efficiency and information dissemination and demonstration of new energy-efficient technologies and processes. Both leaders directed the India-Japan Energy Dialogue to explore possibilities of implementing such proposals through the regional energy efficiency centers that Government of India plans to establish in the five geographical regions of India. Both leaders also directed the India-Japan Energy Dialogue to explore the possibilities of cooperation to enhance energy efficiency of power generation in India in such a way that Japanese relevant organisations and NTPC cooperate by sharing the industries' knowledge and technology.

16. The two Prime Ministers recognised that new and renewable sources of energy, including bio-fuels, are already an important aspect of their respective national energy policies and instructed the India-Japan Energy Dialogue to explore ways and means to further cooperate in this field. They agreed to commence early discussions on a model project of bagasse ethanol production with the New Energy and Industrial Technology Development Organisation (NEDO) in this important field as a symbol of their shared intention to promote the use of new and renewable sources of energy.
17. The two leaders recognised the positive contribution of initiatives taken in various sectors for the development, deployment and transfer of cleaner and more efficient technologies under the Asia-Pacific Partnership on Clean Development and Climate (APP). They decided to promote public-private cooperation under this partnership between the two countries. They also welcomed the initiatives taken by the two countries for cooperation in the area of clean coal technologies during the Ministerial level energy Dialogue in New Delhi in July 2007. Prime Minister Abe welcomed India's offer to host the next APP Ministerial Meeting, and the two leaders confirmed their intention to strengthen their contribution toward further development of APP.
18. The two leaders recognised the importance of expanding the energy infrastructures in India, such as power plants and power transmission and distribution networks, so as to meet India's rapidly increasing electricity demands, and to improve energy access. Prime Minister Abe

expressed his willingness to continue to provide assistance to India, taking into account India's socio-economic situation and development needs. Both sides welcomed the possibilities of participation by Japanese companies in ultra mega power generation projects which are being developed by India through tariff based competitive bidding. Both sides in addition welcomed the possibilities of participation by Japanese companies in various areas of the power sector including generation, equipment manufacturing, transmission and distribution. Both leaders also welcomed the establishment of private sector joint ventures by Japanese and Indian companies for the manufacture of high efficiency power generating machinery and stressed the desire to promote similar cooperation to other energy intensive equipment used on both the supply and demand side.

19. Prime Minister Singh expressed his willingness to build India's strategic petroleum storage system in cooperation with the International Energy Agency (IEA). Prime Minister Abe affirmed his willingness to support this initiative.
20. The two leaders welcomed the decision by The Energy and Resources Institute (TERI) of India and the NEDO of Japan to hold the India-Japan Second Energy Forum in Delhi this coming November.

C. Environment

21. The two leaders recognised the global scale of environmental issues and decided to continue and enhance dialogue between Japan and India under bilateral as well as multilateral frameworks, in order to tackle these issues in a comprehensive manner that supports sustainable development. The two leaders also confirmed their intention to facilitate bilateral cooperation in various fields including local and global environmental concerns.
22. The two leaders are of the common view that an effective system of environmental laws and regulations is essential to promote environmental protection. The two leaders reaffirmed the respective rights and obligations of the two countries under multilateral environmental agreements.
23. The two leaders recognised the importance of bio-diversity conservation in the context of sustainable socio-economic development, and decided to promote further cooperation in this area through mutual consultation.

24. The two leaders shared the view on the importance of improving access to safe potable water and adequate sanitary facilities for realising sustainable development, and have decided to enhance bilateral and multilateral cooperation in order to realise this objective.
25. The two leaders reached common recognition that promoting sustainable forest management is important from the viewpoint of addressing climate change and conserving biodiversity, and confirmed their intention to make efforts to facilitate forestation and reforestation, combat illegal logging and conserve biodiversity, through bilateral and multilateral cooperation such as those under the International Tropical Timber Organization (ITTO).
26. The two leaders shared the view that it is important to raise public awareness about environmental issues through education and other public relations activities. Prime Minister Singh appreciated Japan's efforts such as "Dialogue on Environmental Education" which Japan promotes under the Asia Cooperation Dialogue (ACD). Prime Minister Abe welcomed India's hosting of the Fourth International Conference on Environment Education in November 2007. The leaders confirmed their intention to continue the cooperation in this area.

(Manmohan Singh)
Prime Minister of Republic of India

(Shinzo Abe)
Prime Minister of Japan



367. Joint Statement on the Roadmap for New Dimensions to the Strategic and Global Partnership between India and Japan.

New Delhi, August 22, 2007.

1. The Prime Minister of Japan, H.E. Mr. Shinzo Abe, is currently paying an Official Visit to India from August 21 to 23, 2007 at the invitation of the Prime Minister of India, H.E. Dr. Manmohan Singh. He is accompanied by his spouse, Mrs. Akie Abe and a high-level official delegation, members of Business Leaders Forum as well as about 200 member Japanese Economic Mission.
2. Prime Minister Abe was accorded a ceremonial welcome on August 22. Prime Minister Abe paid a courtesy call to the President of India and addressed the Indian Parliament. He had extensive talks with Prime Minister Singh, who will also be hosting a Banquet in honour of the visiting dignitary. Prime Minister Abe attended the meeting for university collaboration which was held with the participation of vice chancellors/presidents of prominent universities of both countries. Indo-Japan friendship organisations hosted a reception, and Indian economic organisations hosted a luncheon for Prime Minister Abe. H.E. Mr. Pranab Mukherjee, Minister of External Affairs of India and H.E. Mr. L.K. Advani, Leader of the Opposition, Lok Sabha, called on the Prime Minister of Japan. Prime Minister Abe will visit Kolkata and will attend the Opening Ceremony of India-Japan Culture Centre.

Roadmap for New Dimensions to the Strategic and Global Partnership

3. The two leaders shared the view that the visit of Prime Minister Singh to Japan as well as the decision to establish the Strategic and Global Partnership last December elevated the partnership between the two countries to a new level. India and Japan share universal values of democracy, open society, human rights, rule of law and market economy and share common interest in promoting peace, stability and prosperity in Asia and the world. Based on this recognition, the two leaders reaffirmed that the India-Japan partnership is a bilateral relationship with the largest potential for growth. The two leaders reiterated that a strong, prosperous and dynamic India is in the interest of Japan and a strong, prosperous and dynamic Japan is in the interest of India and recognized that India and Japan share a congruence of interests.

4. A new dynamism for growth is being generated in Asia as a result of economic development in India and in other countries as well as heightened efforts towards regional integration. Asia is in the process of rapidly developing synergies/interaction among the different economies, societies, civilizations and cultures of the region while respecting existing diversity and enhancing openness. Recognising the current dynamism in Asia, the two Prime Ministers expressed their firm belief that the 21st century should be the century for peace, progress and democracy, and that the partnership between India and Japan, the two major democracies in Asia, is an essential pillar for the future architecture of the entire region. They resolved to work together to further promoting the new dynamism in Asia in a positive direction. Based on this recognition, they exchanged views on the future course of bilateral relations, and set-forth a Roadmap for New Dimensions to the Strategic and Global Partnership. They reaffirmed their willingness to build a strong and enduring partnership through the following Roadmap:

Political, Security and Defence Cooperation

5. **High Level Visits:** Prime Minister Singh has renewed his invitation to Their Majesties the Emperor and Empress of Japan to pay a State Visit to India. Prime Minister Abe extended an invitation to Prime Minister Singh to visit Japan in 2008. The Indian Prime Minister appreciated the invitation and expressed his willingness to visit Japan at a mutually convenient time in 2008. The two leaders welcomed more active high-level exchanges between the two countries. The two sides will enhance regular exchanges between members of their respective Cabinets.
6. **Further Cooperation in the Security Field:** The two leaders recognised that India and Japan share common interests in such fields as maintaining the safety and security of sea lanes in the Asia Pacific and the Indian Ocean regions, and fighting against transnational crimes, terrorism, piracy and proliferation of Weapons of Mass Destruction. The two leaders directed respective authorities to study future course of cooperation in the security field between the two countries and to report to them by the time of Indian Prime Minister's visit to Japan.
7. **Deepening and Broadening Strategic Dialogue at Various Levels:** The two sides recognised the importance of deepening and

broadening strategic dialogue through various channels. The two leaders welcomed the launching of the annual Strategic Dialogue at the Foreign Minister level in March 2007. The Foreign Minister of Japan will visit India for the second Dialogue in 2008 before the Indian Prime Minister's visit to Japan. The two sides will continue to hold regular dialogues between the National Security Advisor of India and the Japanese counterpart. The two sides will commence bi-annual Foreign Secretary/Vice Minister level dialogue. The two sides will also launch an exchange programme of young diplomats in order to promote mutual understanding between the two Foreign Offices.

8. **Strengthening Defence Exchange:** The two leaders recognised that common interests of the two countries in the defence and security fields require steady and qualitative up-gradation of cooperation between the two sides, including inter alia the expansion of the annual calendar of cooperation and exchanges relating to defence and security, Vice Minister/Defence Secretary level regular Defence Policy Dialogue, cooperation in sharing of experience in international peace cooperation activities under the aegis of the United Nations and counter-terrorism, information sharing in important areas of mutual interest, technical exchange, joint exercises and training and talks between the services. The two leaders welcomed the participation of the Japanese Maritime Self Defense Force in the multilateral maritime exercise "Malabar" to be held in September 2007 in the Bay of Bengal¹. The two sides will enhance reciprocal visits of Defence Ministers and hold the second round of the Defence Policy

1. The proposal culminated in the five-nation (India, Japan, US, Australia and Singapore) holding naval exercises in the Bay of Bengal in September. The decision aroused China's concerns. Initial meeting for this purpose was held on May 24-25 in Manila participated by India, the U.S., Japan and Australia. Nevertheless the concern over "encirclement of China" was strong enough for Beijing to issue a demarche to all four nations, demanding the purpose behind the meeting. Both India and Australia however, assured China that security and defence issues did not form part of the meeting's agenda. The location for exercises was chosen to maintain distance from the arc of the Pacific Ocean skirting the borders of Russia and China where such moves could arouse Beijing's sensitivities. In the past there were bilateral exercises between the Indian and the US navies, besides air and military exercises. For Australia, war games of this magnitude would be the first ever with India although the two sides had held preliminary exercises earlier. An Indian warship made port calls at Perth and Sydney. Later, an Australian warship arrived in Goa but exercises were called off due to bad weather. Japan's first interaction with the Indian Navy took place off its coast in April 2007 along with the U.S. Navy. However, the Indian Navy tried to balance out these interactions by touching base with China, Russia and Vietnam. On July 13 *the Hindu* quoted a senior MEA official to say in June "We were

Dialogue at an earliest convenient time.

9. **Promotion of Cooperation between the Coast Guards:** The two sides reaffirmed their intention to enhance cooperation in maritime safety, maritime security and protection of marine environment through combined exercises, regular meetings of heads of the two Coast Guards, and cooperation based on the Memorandum on Cooperation signed between the two Coast Guards.

Comprehensive Economic Partnership

Expansion of Bilateral Trade:

10. The two leaders expressed satisfaction in the recent trend of growth in trade between India and Japan. The total amount of trade between the two countries has been steadily rising, and could possibly reach approximately US\$ 10 billion in 2007. In order to further enhance bilateral comprehensive economic partnership, the two leaders agreed to work towards an annual trade volume of US\$ 20 billion by the year 2010.

Negotiations on EPA/CEPA:

11. The two leaders reaffirmed the importance of delivering a high-quality and mutually beneficial EPA/CEPA that reflects the strategic importance of bilateral relations and fully harnesses the potential of their economic relationship. In this context, the two leaders directed their respective negotiators to actively pursue and complete the negotiations as soon as possible.

Economic Assistance:

12. The two leaders noted with satisfaction the growing economic relations between the two countries. The Indian side appreciated

conscious of not trying to create the impression of a gang-up against them [China]. I think at this time, none of the others wants to either. "India too was concerned that China should feel threatened by this exercise and wished to assure Beijing that India had no intention of ganging up to contain China in any manner. When Prime Minister Manmohan Singh met the Chinese President Hu Jintao in Berlin on the sidelines of the G-8 summit he personally spoke to him to tell him that "there was no question of grouping up (against China)" and added "we (the quadripartite) met to exchange views on developments from our experiences as democracies....there was no security implication in the quadripartite group." Prime Minister felt that President Hu was satisfied with what he told him. This piece of information was confirmed by Prime Minister on June 25 after releasing a book in New Delhi.

the Japanese ODA for which India has remained the largest recipient for the fourth consecutive year. The Japanese assistance, including its continued support to the Delhi Metro Project which symbolises high quality economic assistance from Japan, has generated goodwill for Japan across all parts of India. The two leaders shared the view that Japanese ODA should continue to play an increasing role in areas including infrastructure development, cooperation on environment and energy, as well as Poverty reduction and social sector development.

Promotion of Special Economic Partnership Initiative (SEPI):

13. The two leaders noted with satisfaction the progress made in the implementation of the SEPI, which aims at promoting enhancement of investment from Japan to India and helping development of India's infrastructure and manufacturing capacity. This comprehensive economic partnership will give an impetus to the Indian economy that will in turn also create new frontiers and opportunities for Japan's economy and continued prosperity. The two leaders appreciated the steady increase in the number of Japanese companies present in India as well as estimated increase in Japanese FDI to India. The two leaders appreciated the following developments under SEPI:

- **Dedicated Multi-Modal High Axle Load Freight Corridors Project (Dedicated Freight Corridor (DFC) Project):**

The two leaders reviewed the progress, and welcomed the fact that the Final Report of the JICA Feasibility Study would be ready by October 2007. They looked forward to continued cooperation towards realisation of the Project.

- **Delhi-Mumbai Industrial Corridor (DMIC) Project:**

Both sides recognised the significance and mutual benefit of this Project, and welcomed the progress made since the Summit meeting last December, including preparation of a concept paper by the Task Force co-chaired by Secretary, DIPP of the Ministry of Commerce and Industry of India and Vice Minister for International Affairs of the Ministry of Economy, Trade and Industry of Japan. Both sides confirmed that they would work together closely for the establishment of the Project Development Fund for DMIC.

- **JETRO Related Activities:**

The two leaders expressed their appreciation for the efforts by JETRO and Indian counterparts to promote trade and investment, especially in the DMIC region, such as (i) setting up of the second Business Support Centre in India in Mumbai, (ii) investment promotion activities in the DMIC related six states and (iii) facilitation of business interaction, including the setting up of the website, based on the MOU signed with the Confederation of Indian Industry.

- **Visionary Leaders for Manufacturing Programme (VLFM):**

The two leaders noted with satisfaction that the first VLFM programme has been launched under Japanese Technical Cooperation Programme to facilitate establishing an advanced and innovative management education system in India.

- **Indian Institute of Information and Technology, Design & Manufacturing, Jabalpur (IIITDM-J):**

The two leaders welcomed the recent progress in Japanese collaboration for development of IIITDM-J, including the launching of a Japanese Consortium composed of government agencies, academics and industries, and directed relevant authorities to continue specific discussions to upgrade collaborative efforts.

Business Leaders Forum:

14. The two leaders welcomed the report prepared by the Business Leaders Forum. They instructed their respective authorities to examine the report and to implement the relevant recommendations.

High Technology Trade:

15. The two leaders took note of the commencement of dialogue in this important area, and expressed their readiness to continue bilateral talks through the Consultation Mechanism for High Technology Trade, in order to make further progress in facilitating two-way high technology trade and addressing matters relating to respective export control systems.

Japan Depositary Receipt (JDR):

16. Both sides resolved to explore JDR as a potential source of financing for private sector development in India, including DMIC.

Currency Swap Arrangement:

17. The two leaders welcomed the agreement-in-principle on the bilateral currency swap arrangement which aims at addressing short-term liquidity difficulties and supplementing the existing international financial arrangements. The two leaders hoped that the bilateral currency swap arrangement would promote the financial cooperation between India and Japan.

Cooperation in the Field of Urban Development:

18. The two leaders welcomed the useful exchange of views concerning the water environment, urban development and urban transport during the first India-Japan Joint Working Group on Urban Development held in Japan. They reaffirmed their intention to regularly hold Working Group meetings in order to identify potential areas of collaboration.

ICT (Information and Communication Technology):

19. The two leaders welcomed progress in the India-Japan ICT Forum, including the successful result of field trials on wide-band wireless technology. They also expressed expectations that cooperation in new areas such as Next Generation Network, and mobile communication systems, would be undertaken in the ICT Forum. The Japanese side will continue consultation on the proposal for assistance in setting up the National Gigabit Backbone Network by India to facilitate information flow and e-government support through data, voice and video conferencing facilities.

Science and Technology

20. The two leaders welcomed the commencement of the bilateral project based on the MOU between Japan Science and Technology Agency (JST) and the Department of Science and Technology of India (DST) in the area of ICT. The two leaders noted with satisfaction the adoption of new research subjects in Nano Technology and Life Science which are to be funded by the Ministry of Education, Culture, Sports, Science and Technology of Japan (MEXT). The two leaders confirmed that MEXT, the Japan Aerospace Exploration Agency (JAXA) and the Indian Space Research Organisation (ISRO) would co-host APRSAF-14 in November, 2007 in Bangalore. They

appreciated the recent signature of the Agreement between JAXA and ISRO concerning cooperation in space X-ray observations.

21. The two leaders welcomed the signing of the Letter of Intent on Scientific and Technological Cooperation between the Department of Science and Technology of India (DST) and the High Energy Accelerator Research Organisation of Japan (KEK) on 24 July 2007, recalling the discussion in the India-Japan Science Council co-hosted by DST and the Japan Society for the Promotion of Science.

Strategic Dialogue on Economic Issues

22. The two leaders appreciated the progress made in the first India-Japan Strategic Dialogue on Economic Issues, and directed this forum to follow up on the economic issues mentioned in this joint statement through the next dialogue and report to them by the time of the next Summit meeting.

People-to-People Exchange, Academic Exchange, Cultural Exchange

University Exchange / Indian Institute of Technology (IIT):

23. The two leaders welcomed the convening of the first-ever India-Japan Dialogue of Vice-chancellor / President on Academic Exchange among leading higher educational institutions of both countries, which was held during Prime Minister Abe's visit in New Delhi, as a forum for comprehensive exchange of views and relevant information for the furtherance of academic exchange. The two leaders shared the conviction that more active and enhanced academic exchange between higher educational institutions of both countries should be the key for consolidating a foundation for long-lasting friendship between India and Japan. With this belief in mind, both sides will initiate a working group to study and explore possible collaboration in setting up a new IIT. The working group will report the progress of their study to the two leaders by the time of the next Summit meeting.

Youth Exchange:

24. The two leaders shared the view that it is important to significantly enhance people-to-people contacts between the two countries. In this regard, the two leaders welcomed the progress in the Aso Programme, and Prime Minister Abe's decision to invite about 500 youths annually, including 100 outstanding Japanese language students and young Japanese language teachers from India in the

next 5 years under the framework of Japan-East Asia Network of Exchange for Students and Youths (JENESYS) Programme announced during the second East Asia Summit. Prime Minister Singh appreciated the proposal. Both sides will continue consultations on the possibility of utilising Japanese ODA loans to increase the number of Indian students to Japan.

Japanese Language Education in India:

25. Taking note of the fact that Japanese language learners in India have almost doubled in the last 3 years, the two leaders confirmed their will to cooperate towards realising the target of 30,000 Japanese language learners in India by the year 2010. Indian side proposed to establish a Training Centre for Japanese Language Teachers in India. The Japanese side welcomed the plan and expressed that it would consider supporting India's effort by dispatching young Japanese language teachers to India under the JENESYS Programme.

India-Japan Friendship Year:

26. The two leaders noted with satisfaction the success of on-going India-Japan Friendship Year Programmes both in India and Japan. The two sides will promote mutual exchange, attaching high priority to further enhancement of exchanges in such areas as youth, sports, films, popular culture and fashion. Each side will hold film festivals in the other country in the year 2008. They also decided to enhance the recent development of exchanges between the local governments of both countries.

Tourism Promotion

27. The two leaders expressed satisfaction in the success of the India-Japan Tourism Exchange Year both in Japan and in India, and reaffirmed their willingness to promote bilateral tourism initiatives, including the target of increasing the number of visitors between the two countries to 300,000 by the year 2010 and to 500,000 by the year 2015.

Issues of Common Interests

East Asia Summit (EAS):

28. The two leaders confirmed the importance of the EAS in the

enhancement and progressive realisation of an East Asian community and agreed to work jointly and with other countries of the region to promote this objective. They reiterated that the EAS can substantially contribute in the process of community building based on universally recognised values and in enhancing the role of the region at the global level. The two leaders expressed their will to promote cooperation in such areas as energy security, youth exchange, the study on Comprehensive Economic Partnership in East Asia (CEPEA), the establishment of the Economic Research Institute for ASEAN and East Asia (ERIA), and to work together to specify other areas of cooperation under the framework of the EAS.

Dialogue among Cultures, Societies and Religions in East Asia:

29. With a view to establishing an East Asian community in the future, the two leaders recognised the importance of promoting dialogue among various cultures, societies and religions in East Asia. Prime Minister Abe welcomed India's initiative to revive the Nalanda University, which once used to be the centre of academic research in Asia, as a centre of learning in Asia. The Japanese side will take part in the multilateral discussions to realise this initiative, after taking into consideration the deliberations of Mentors' Group.

Cooperation towards Stable Development of South Asia:

30. The two leaders recognised the importance to promote regional cooperation in South Asia. Prime Minister Abe highly commended the success of the 14th Summit Meeting of South Asian Association for Regional Cooperation (SAARC) under the chairmanship of the Government of India. Japan's continued cooperation with SAARC countries under the SAARC-Japan Special Fund as well as Japan's intention to further cooperate in such fields as improving connectivity were welcomed.

Promotion of Multi-layered Frameworks for Regional Cooperation:

31. The two leaders reaffirmed that Japan and India should actively cooperate to promote multi-layered frameworks and dialogues for regional cooperation in Asia, including the EAS, SAARC and the ASEAN Regional Forum (ARF). They also shared the view on the usefulness of continuation of Quadrilateral Dialogue, of which the first meeting was held at SOM level last May in Manila.

UN Reform:

32. The two leaders reaffirmed their commitment to a comprehensive reform of the United Nations, including the expansion of the UN Security Council in both the permanent and non-permanent categories, which is central to the reform process. Both sides will continue their close cooperation towards early realisation of the Security Council reform so that it reflects contemporary realities and can effectively cope with newly emerging threats and challenges. In this context, they appreciated the leading role played by the Group of Four (G-4): Brazil, Germany, India and Japan.

WTO:

33. The two leaders reaffirmed the importance of achieving a successful conclusion of the WTO Doha Round negotiations this year. They expressed their resolve to cooperate closely to achieve a balanced and comprehensive agreement.

Energy, Environment and Climate Change:

34. The two leaders decided to sign a separate joint statement on enhancement of energy security and environmental protection.

Civil Nuclear Energy Cooperation:

35. The two leaders shared the view that nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting the rising global demand for energy. They looked forward to constructive deliberations at the relevant international fora with respect to the international civil nuclear cooperation framework under appropriate IAEA safeguards with India.

Disarmament and Non-proliferation:

36. The two leaders, reiterating their commitment to disarmament and greatly concerned over the proliferation of Weapons of Mass Destruction and their means of delivery, confirmed their will to continue to cooperate on disarmament and to work as partners against proliferation.

DPRK:

37. The two leaders welcomed the recent progress made in the Six Party Talks including the shutdown of the Yongbyon nuclear facility and commencement of IAEA's activities in the DPRK. They agreed that the

DPRK should continue to take steps to implement the decisions taken in the Six Party Talks in order to realise the denuclearisation of the Korean Peninsula. They also welcomed the measures taken by other concerned parties to facilitate this process. They emphasised the importance of implementing United Nations Security Council Resolution 1718. The Indian side expressed its willingness to work with the international community to resolve the abduction issue at the earliest as a humanitarian concern.

Human Security:

38. The two leaders stressed the need to cooperate in developing a common understanding of human security, with due respect to the evolving, multidimensional and comprehensive nature of the concept, with a view to tackling global challenges including the achievement of the Millennium Development Goals.

Counter Terrorism:

39. The two leaders reaffirmed that terrorism constitutes one of the most serious threats to international peace and security, and commended the efforts undertaken by both governments to fight against terrorism. They strongly condemned terrorism in all its forms and manifestations and stressed that there can be no justification, whatsoever, for any acts of terrorism. They decided to strengthen bilateral cooperation in combating it including the Joint Working Group on Counter-Terrorism. They underlined their commitment to the full implementation of the UN Global Counter Terrorism Strategy and called for expeditious conclusion of the ongoing negotiations of a comprehensive convention on international terrorism. They instructed the concerned authorities of both governments to hold consultations on counter terrorism at the earliest.

(Manmohan Singh)
Prime Minister of Republic of India

(Shinzo Abe)
Prime Minister of Japan



368. Joint Press Conference by Prime Minister Dr. Manmohan Singh and Japanese Prime Minister Shinzo Abe.

New Delhi, August 22, 2007.

Dr. Manmohan Singh, Prime Minister of India: I am delighted to be here today with His Excellency Prime Minister Shinzo Abe and his high-powered delegation. Prime Minister Abe's visit to India soon after my own visit to Japan in December 2006 reflects the vitality and intensity of Indo-Japan relations in recent years.

We have had very fruitful and intensive discussions. As two major countries in Asia, we share common values and have a common responsibility to ensure the peace and prosperity of our region. We deeply appreciate the words of friendship that Prime Minister Abe expressed during his Address to our Parliament earlier today. We have today agreed to lay down a roadmap to impart a new dimension to our strategic and global partnership. This is a comprehensive and forward looking vision of how our two countries can and ought to move far ahead in the coming years.

Economic partnership is at the core of our engagement. We have set a target for bilateral trade of US \$ 20 billion by 2010. The Working Group is to be set up to explore collaboration in setting up a new IIT. We have also agreed to cooperate in the implementation of two very important flagship projects - the Dedicated Rail Freight Corridor project, and the Delhi-Mumbai Industrial Corridor project. When implemented, these projects will be shining examples of our enhanced bilateral cooperation. We had very productive discussions on global and regional issues, and this reflects our growing mutual understanding and convergence of interests.

The signing of a Joint Statement on enhancement of cooperation in environment protection and energy reflects an important new area of cooperation. We appreciate Prime Minister Abe's initiative on climate change as a contribution to the global debate on the subject. Equally for us, it is important to ensure energy security so that we can sustain strong growth rates and eradicate poverty. We welcome Japanese participation in our energy sector.

Mr. Prime Minister, I would like to thank you warmly for the assistance which Japan has been providing to India's developmental efforts. Your strong personal commitment to the strengthening of our partnership is a

source of inspiration to us. Let me extend to you once again a very warm welcome and request you to say a few words.

I thank you.

H.E. Mr. Shinzo Abe, Prime Minister of Japan: Allow me to say a few words as well.

I wish to start with my gratitude to Prime Minister Manmohan Singh, the Government, and Parliament of India, and the Indian people for their very warm welcome and hospitality.

I had the pleasure today of speaking to the Parliament of India. My visit here this time is also being dovetailed by the visit to your country of a 200-strong business mission which is participated by captains of Japan's business community under the leadership of Mr. M. M. Mitterai, Chairman of Nippon Keidanren.

In addition, yesterday the first ever Presidents and Vice-Chancellors level dialogue of leading Universities of Japan and India took place with the participation of distinguished representatives of the Universities of our two countries. I trust that this visit of ours shall lead to further strengthening of exchanges not just between our Governments but also between the business communities and the academia of our countries at many different levels.

A while ago, I had a very intimate and positive meeting with Prime Minister Singh on a very broad range of subject matters and under the common understanding, thanks to our agreement last December to build a strategic and global partnership, the relations between our two countries now have advanced to a new level. We were able to agree on numerous common endeavours which would aim at drawing the roadmap for Japan-India relations at a new dimension.

With regard to our bilateral relations, we agreed the following. First with regard to political and security areas, I extended my invitation to Prime Minister Manmohan Singh to visit Japan once again next year, and he kindly accepted this invitation. We also saw eye-to-eye that our bilateral cooperation in the area of security has progressed in recent years. We also agreed to get down to considerations with regard to the future course of the cooperation between our two countries that would be appropriate for our two countries in order to further expand cooperation in this area.

In the economic area and economic cooperation with the participation of top leaders of the business communities of our two countries, the first Business Leaders' Forum was held this very day; and we, as you saw, received their recommendations just a while ago. All these recommendations are very insightful, and I have instructed those people concerned to act on these recommendations to translate them into reality.

Japan has actively supported India's infrastructure development over the years. India has been the largest recipient of Japanese Yen loans for four years consecutively. In our meeting today, I stated that we shall consider positively the provision of Yen loans utilizing Japanese technology vis-à-vis the Dedicated Freight Corridor initiative. Also, I stated that since the Delhi-Mumbai Industrial Corridor project also would be very beneficial for both Japan and India, we would like to be cooperating closely with the Indian side towards the launching of a fund which would be conducive to making this project a reality. In addition, we have also confirmed that the Agreement on Currency Swap was reached between the authorities of our two countries.

In order to cement our bilateral relations into the future, it is important to encourage contacts, exchanges of people, and exchanges in academia and cultural exchanges between our two countries, especially exchanges of youth who will carry our countries into the future. With this common understanding between myself and Prime Minister Singh, we agreed on numerous endeavours into the future including the plan for us to invite to Japan five hundred youths every year.

In the area of environment and energy, I once again explained the basic elements of my initiative, which is Cool Earth 50. Especially, I explained the long-term objective of halving greenhouse gas emissions globally by 2050 and the three principles that I have been proposing, and pointed out that it will be necessary for India to participate in a responsible manner in an effective post-2013 framework. Prime Minister Singh responded positively by stating that he will consider seriously the long-term targets, and also consider positively participation in a post-2013 framework. I agreed with Prime Minister Singh to further strengthen cooperation between our two countries in this area as well.

Furthermore, we confirmed that we shall cooperate for the denuclearization of North Korea and the early resolution of the abduction issue; and also agreed to cooperate in the fight against terrorism.

Through my meeting with Prime Minister Singh, the speech I delivered to the Parliament, and also through exchange of views with representatives of the business communities and Universities of our two countries, I was able to renew my understanding, my sense that Japan and India are two major democracies in Asia that share common basic values such as freedom, democracy and human rights, and that Japan-India relations are bilateral relations with the greatest potential of all bilateral relations.

In the run up to Prime Minister Singh's Japan visit next year, I shall see to it that the results of my visit this time shall be implemented steadily; and together with the Prime Minister I shall strive to further advance the bilateral relations between Japan and India.

Question (Kyoto News Service): I would like to put this question to both Prime Ministers. This relates to nuclear cooperation. First of all, in the area of nuclear cooperation Prime Minister Singh, what would you expect from the Government of Japan?

This is my question to Prime Minister Abe. To support India-US civilian nuclear cooperation, some suggest, contradicts with the Japan's non-nuclear policy since Japan is a country that advocates nuclear abolition. How would you respond to this matter?

Dr. Manmohan Singh, Prime Minister of India: India and the United States have reached agreement on cooperation relating to civil nuclear issues. There are several stages still to be undergone, if this agreement is to be operationalised. We have to go to the International Atomic Energy Agency to get an agreed India-Specific Safeguards Agreement. Then, we have to go to the Nuclear Suppliers Group to relax their present restrictive attitude to trade with India in nuclear materials and equipment, and technologies. My sincere hope is that when this matter comes before the Nuclear Suppliers Group we will have the support of the Japanese Government.

H.E. Mr. Shinzo Abe, Prime Minister of Japan: Let me respond to that question. Japan certainly is aware of the strategic importance of India. We also understand the necessity for India, a country with a population of one billion, to try and respond to the increasing energy demand of the country whilst addressing the global warming issue by utilizing nuclear energy. Having said that, Japan as the only country that had suffered atomic bombing, attaches particular importance to nuclear non-proliferation and nuclear disarmament. Therefore, we are of the view that we have to watch very closely the implications this matter may have on international nuclear disarmament and nonproliferation regime.

With regard to the question of nuclear cooperation with India, at the international stage India will be negotiating the safeguards measures agreement with IAEA, and then there will be discussions at the Nuclear Suppliers Group. I told Prime Minister Singh that it is indispensable, it is essential for India to address appropriately negotiations with IAEA in order to respond to the concerns of Japan and the international community. As far as Japan is concerned, we shall also intend to positively engage in international discussions in a thorough manner.

Question (Sarita Brara, All India Radio): This question is addressed to Dr. Manmohan Singh. You have talked about the two projects - industrial corridor between Delhi and Mumbai, and the Delhi, Mumbai, Kolkata freight corridor - as the shining examples of enhanced bilateral cooperation. But what has been the tangible progress in your discussions on the two projects?

Dr. Manmohan Singh, Prime Minister of India: A lot of work has been done but a lot more needs to be done to operationalise these projects. There are project reports to be prepared. Some of these reports will have to be examined by the Japanese aid-giving agencies. That process is underway. We have assurance at the level of the Japanese Government of their support for both these projects. But I think project details have to be prepared, examined, and evaluated. That will itself take quite some time.

Question (Japanese Press): I would like to ask a question related to global warming. This is addressed to both Prime Ministers. Prime Minister Abe, you mentioned earlier that Prime Minister Manmohan Singh spoke highly of your proposal Cool Earth 50. But I also gather that there was some difference of positions or views with regard to the target year of 2050. I wonder, Prime Minister Abe, if the result has been as you had expected. Also, towards effective reduction of greenhouse gas emissions in the future, how do you intend to seek out concrete measures with India? My question for Prime Minister Manmohan Singh is, what is your view with regard to this target of 2050?

H.E. Shinzo Abe, Prime Minister of Japan: If I may lead off, I explained about my proposal of Cool Earth 50 and the long-term target of reducing by half the greenhouse gas emissions by the year 2050 and also the three principles. Prime Minister Singh spoke highly of this proposal in response to my explanation. Prime Minister Singh also expressed his determination to participate in an effective framework for the period beyond 2013 with me, a framework in which all countries will be participating.

I would say that this indeed represents a certain measure of progress towards the resolution of this climate change issue. Indeed for Japan and India to cooperate on matters of common challenge for the international community, does represent a shining example of this global partnership between our two countries. We would like to engage in cooperation with India at bilateral as well as multilateral levels in the days ahead, and would also like to work on cooperation involving Japan's energy conservation technology as well.

Dr. Manmohan Singh, Prime Minister of India: Global warming is a global problem. The whole world shares a single common environment. So, all countries of the world have an obligation to contribute in accordance with their capacity to the solution of the global problem of global warming. Prime Minister Abe has made a very important contribution to the ongoing debate how to tackle this problem and I certainly applaud his initiative in this regard. As far as India is concerned, we are committed to work with other likeminded countries to find appropriate solutions to this problem consistent with the universally accepted principle of common but differentiated responsibilities. As I mentioned to Prime Minister Abe, the world has to find a balance between the twin imperatives of environment protection, control of global warming and promoting accelerated economic and social development of the poor countries like India. Therefore, I welcome this debate on these twin issues. In this context we greatly appreciate our working together with Japan and other like-minded countries.

Question (Maya Mirchandani, NDTV): In the wake of what you have said regarding seeking Japan's support at the NSG, how soon do you propose to push this along given your domestic constraints, and also the Left's demand that you hold all negotiations on this at the moment?

Dr. Manmohan Singh, Prime Minister of India: That is a naughty question but I will try to answer it. It is certainly true that we have I think some turbulence in the political air in Delhi, but I am confident we shall be able to overcome it. As someone said, if winter comes, can spring be far behind.



369. Briefing Points by Official Spokesman on Prime Minister's meeting with Japanese Prime Minister Fukuda.

Singapore, November 21, 1007.

- The Prime Minister had a bilateral meeting with Prime Minister Yasuo Fukuda of Japan today. This was Prime Minister's first meeting with Prime Minister Fukuda. The meeting was marked by warmth and friendship. The two Prime Ministers reiterated their commitment to Strategic and Global Partnership which has been established between India and Japan, and exchanged views on the way to deepen the partnership. They agreed on the importance of maintaining regular high level exchanges and the need to expedite progress on projects that are part of the Special Economic Partnership Initiative. They reviewed the progress in regard to the Dedicated Freight Corridor and the Delhi-Mumbai Industrial Corridor.
- Both Prime Ministers shared the view that the East Asia Summit is an important building block for the creation of an Asian Economic Community, and pledged to work closely to further this objective. They agreed to strengthen their cooperation in regional and multilateral fora on important issues such as UN Security Council Reforms and Climate Change.
- Prime Minister Fukuda invited Prime Minister to visit Japan next year. Prime Minister has accepted the invitation with pleasure.



370. Press Release of the Ministry of External Affairs on the second meeting of the Nalanda Mentor Group held in Tokyo.

New Delhi, December 17, 2007.

The Government of India has established a Nalanda Mentor Group headed by Nobel Laureate Professor Amartya Sen which is to make proposals that would facilitate the revival of Nalanda as a Centre for Cultural Exchange between East Asia and South Asia, examine the framework and structure of international cooperation and partnership to govern the establishment of the University and to suggest the governance structure, modalities of finance and the academic scheme of the proposed University.

2. The Nalanda Mentor Group held its first meeting in Singapore in July 2007. The second meeting of the Nalanda Mentor Group was held in Tokyo from December 14 -15, 2007. The meeting reviewed the developments since the first meeting of the Mentor Group held in Singapore. The Mentor Group referred, in particular, to the understanding reached at the East Asia Summit meeting in Singapore in November, 2007 welcoming the revival of Nalanda University, and the hosting of the Nalanda Exhibition in Singapore. Members noted that since the last meeting of the Nalanda Mentor Group in Singapore, the Nalanda project has been receiving international attention.
3. The importance of the project in the context of an Asian renaissance was emphasized. Drawing attention to the social, economic and intellectual aspects of Asia, the Mentor Group renewed its conviction that Nalanda University should focus on becoming a Centre of Excellence. Stressing that it should draw on an understanding of the past while remaining contemporary and emphasizing its relevance to the future, the Mentor Group resolved that the vision of the university would be based on a global philosophy while maintaining local relevance.
4. The Mentor Group agreed that Nalanda University should be an international university enjoying academic autonomy. It would be a secular academic institution. It would be established through an inter-governmental agreement between the participating countries.
5. The Mentor Group proposed that the University should have the

following schools upon its establishment:

- (i) Buddhist Studies, Philosophy and Comparative Religions;
 - (ii) Historical Studies;
 - (iii) International Relations & Peace Studies;
 - (iv) Business Management and Development Studies;
 - (v) Languages and Literature; and
 - (vi) Ecology and Environmental Studies.
6. The Mentor Group also deliberated on the issues pertaining to the governance and interim arrangements, the selection of key personnel and the financing plan for the Nalanda University.
 7. The Mentor Group will continue its discussions in China and India for finalizing its report for the establishment of the Nalanda University.
 8. As an objective for the coming year, a framework for the proposed international university in Nalanda, is to be worked out to be ready by the time of the next East Asia Summit in 2008.
 9. The Mentor Group conveyed its gratitude to the Government of Japan for hosting the second meeting of the Nalanda Mentor Group.
 10. The Mentor Group considered and endorsed a proposal to establish a research and teaching entity in Singapore to be called the Srivijaya Center which would work in cooperation with the Nalanda University.



KOREA, REPUBLIC OF

371. Statement by Official Spokesperson on External Affairs Minister's visit to Thailand and Republic of Korea.

New Delhi, September 11, 2007.

Official Spokesperson: Good afternoon. This is basically to announce the visit of the External Affairs Minister, Shri Pranab Mukherjee to Thailand and to the Republic of Korea. He leaves on 13th of September and would be returning after visiting both countries on the 18th of September. He will be there in Bangkok on 14th and 15th of September. He will be co-chairing the 5th Joint Commission Meeting between India and Thailand on September 14th. The next day he is supposed to meet the Indian Heads of Missions in the area.

After the Joint Commission Meeting, the External Affairs Minister is expected to have a bilateral meeting with the Foreign Minister Mr. Nitya Pibulsonggram to discuss bilateral and other issues and will also call on His Majesty the King of Thailand, and the Prime Minister of Thailand. Her Royal Highness the Princess Maha Chakri Sirindhorn will host a dinner in External Affairs Minister's honour. The Joint Commission, which is the main purpose of the visit, covers cooperation in areas as diverse as trade and investment, civil aviation, transportation linkages, agricultural cooperation, fisheries, tourism, defence, security, science and technology, energy, culture and so on. We expect that there will be a signing at the end of the meeting, of the agreed minutes of the Joint Commission. During this visit, he will also inaugurate an exhibition of Indian contemporary art and will make a keynote address on India's Look-East Policy "Implications for Thailand and South-East Asia at the Institute of Security and International Studies in the Chulalongkorn University.

From Thailand, the External Affairs Minister will go to ROK at the invitation of the Minister of Foreign Affairs and Trade Mr. Song Min-soon. During the visit to ROK, the External Affairs Minister will co-chair the 5th Meeting of the India-ROK Joint Commission. During his stay, he will also exchange views with the Korean leadership on several issues of mutual interest. This will be the first visit by the Indian Foreign Minister to ROK in the last three years, though there have been a number of other visits including at the Summit level - President of ROK had visited India in 2004, and in 2006 the then President Abdul Kalam had visited ROK. Besides the Joint Commission

meeting, the External Affairs Minister will also call on President of ROK and other leaders. He will deliver an address at the Institute of Foreign Affairs and National Security.

Trade between the two countries, which will naturally be one of the areas of interest, stands as per 2006 figures at US\$ 7.1 billion, and the target is US\$ 10 billion by 2008. ROK is the ninth largest foreign investor in India. Several Korean industrial majors are now household names in India. POSCO, one of the largest manufacturers of steel in the world, has announced an investment of US\$12 billion for an integrated steel plant to produce 12 million MT of steel at Paradip, Orissa. This is the largest single foreign investment to date in India. The framework for facilitation of further trade and investment is already in place. We have a bilateral Air Services Agreement; a bilateral Investment Protection Agreement; and an Agreement on Mutual Cooperation in Customs. Currently an updated Double Taxation Avoidance Agreement is under negotiation. We have also commenced negotiations for a Comprehensive Economic Partnership Agreement. External Affairs Minister's visit will naturally provide an opportunity of looking at the progress of these negotiations and giving them a boost.

Also, other areas on which so far there has been limited interaction between the two countries - areas of culture, education, tourism - will be focused upon, as well as the issue of simplification of visa rules for Indian business persons who would like to visit ROK for their work.

Multilateral issues are also likely to come up. India and ROK are partners in the ARF, in the East-Asia Summit and in ASEM processes. India, as you will recall, had invited ROK to be an observer at the SAARC meeting earlier this year and the delegation had been led by the Korean Foreign Minister. So, regional and multilateral issues are also going to be discussed. So, the visit takes place in the context of significant forward movement in several areas since the last visit of Indian Foreign Minister in December, 2004.



372. Joint Press Release on the visit of Minister of External Affairs Pranab Mukherjee to the Republic of Korea.**Seoul, September 17, 2007.**

1. H.E. Mr. Pranab Mukherjee, Minister of External Affairs of India is paying an official visit to the Republic of Korea from September 16 to 18, 2007 at the invitation of H.E. Mr. Song Min-soon, Minister of Foreign Affairs and Trade of the Republic of Korea. The two Ministers held one-to-one meeting and co-chaired the 5th ROK-India Joint Commission in Seoul on 17 September 2007. The Minister of External Affairs of India also called on H.E. Mr. Roh Moo-hyun, President of the Republic of Korea and H.E. Mr. Im Chae-jung, Speaker of National Assembly, and met with H.E. Mr. Kim Jang-soo, Minister of National Defence.
2. The two Ministers noted with satisfaction that bilateral relations have gained a new momentum following the establishment of a "Long-term Cooperative Partnership for Peace and Prosperity" during the State visit of the President of the Republic of Korea to India in October 2004. They expressed their determination to accelerate the process of strengthening bilateral relations through the implementation of understandings and agreements reached during the visits of the President of the Republic of Korea to India in October 2004 and the President of India to the Republic of Korea in February 2006.
3. The two Ministers discussed ways to enhance bilateral relations and to further develop cooperation on regional and international issues of mutual interest. They reiterated their readiness to cooperate in regional and multilateral frameworks like the ASEAN Regional Forum (ARF). They shared the view that the East Asia Summit (EAS) could play a significant role in expanding regional cooperation and community building in the region. They welcomed the participation of the Republic of Korea as an Observer at the 14th SAARC Summit in New Delhi in April 2007, and agreed that this would enhance regional linkages between SAARC countries and the East Asian region.
4. The Minister of External Affairs of India welcomed the progress achieved at the Six-Party Talks on the resolution of the North Korean nuclear issue. He also welcomed the significant step taken by the leaders of the ROK and the DPRK to hold the 2nd Summit meeting

and expressed the hope that the Summit would promote inter-Korean relations and contribute to maintaining peace and security on the Korean Peninsula. The Minister of Foreign Affairs and Trade of the Republic of Korea expressed its appreciation on it and requested continued support of India.

5. The two Ministers highlighted the importance of high level exchanges of visits and agreed on the need for further intensifying them. The two Ministers noted with satisfaction the work of the bilateral dialogue mechanisms. They agreed on the importance of annual meetings of the India - ROK Joint Commission in order to ensure steady and all round development of bilateral relations. They also agreed that the third meeting of the Foreign Policy and Security Dialogue will be held in New Delhi on mutually convenient dates later this year.
6. They agreed that the momentum of high level exchanges created by the visit of the Minister of National Defence of the Republic of Korea to India in May 2007 should be maintained and further enhanced¹.
7. The two Ministers reviewed all areas of economic cooperation between India and the Republic of Korea. They expressed satisfaction on the meaningful progress made in negotiations on the Comprehensive Economic Partnership Agreement (CEPA) and reiterated their desire to conclude the negotiations by the end of 2007. They also welcomed the steady growth in bilateral trade and investment, and expressed their confidence that the trade target of US\$ 10 billion could be achieved before 2008 through joint efforts of both countries. The two Ministers agreed that strong and diversified economic cooperation lies at the core of the partnership, and agreed

1. Though there was no reference to India-US Civil Nuclear Energy deal, media reports quoting Indian sources said on the 17th September that the Republic of Korea (ROK) "may take a positive view" as and when the U.S.-India civilian nuclear energy deal "is taken up in the Nuclear Suppliers Group (NSG)." External Affairs Ministry spokesman Navtej Sarna said: "They [South Korean leaders] are aware of our concerns for access to civilian nuclear energy." This positive "hope," expressed after External Affairs Minister Pranab Mukherjee's talks with top leaders of the ROK, punctuated his "very substantive visit." The discussions took place in the context of a possible move towards "a strategic dimension" in bilateral ties. Ambassador N. Parthasarathi said the two countries were now engaged in "a comprehensive dialogue" of cooperation. This was reflected in Mr. Mukherjee's talks with ROK President Roh Moo-hyun and Foreign Minister Song Min-soon, besides National Defence Minister Kim Jang-soo and National Assembly Speaker Lim Chae-jung. Incidentally Prime Minister Manmohan Singh's Special Envoy Shyam Saran had already "sensitised" Seoul to India's nuclear energy requirements and its non-proliferation credentials.

to work together to improve the environment for enlarged trade and investment. In particular, they attached great importance to POSCO's project in the state of Orissa and agreed to provide all possible assistance in expediting the implementation of the project.

8. The two Ministers also underscored the importance of expanding people-to-people contacts. They agreed to explore new areas of cooperation in culture, education, science & technology and tourism fields.
9. The Minister of External Affairs of India invited the Minister of Foreign Affairs and Trade of the Republic of Korea to pay a bilateral visit to India for the 6th Joint Commission Meeting at a mutually convenient time in 2008. The Minister of Foreign Affairs and Trade of the Republic of Korea accepted the invitation.



373. Address of External Affairs Minister Pranab Mukherjee at the Korean Institute of Foreign Affairs and National Security on “India’s Look East Policy.”

Seoul, September 17, 2007.

Please see Document No. 326...



374. Statement by Official Spokesperson on the Inter-Korean Summit meeting.

New Delhi, October 5, 2007.

Government of India welcomes the historic Summit Meeting between President Roh Moo-hyun of the Republic of Korea and Chairman Kim Jong Il of the National Defence Commission of the Democratic People's Republic of Korea in Pyongyang from October 2-4, 2007. We welcome the positive outcomes and initiatives taken by the two leaders to promote peace and prosperity on the Korean Peninsula¹. We also welcome the progress that has been made at the Second Session of the Sixth Round of the Six Party Talks held in Beijing² from 27-30 September, 2007.



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1. The Spokesman was referring to the two Korea accord reached on October 4 "to resolve the issue of unification on their own initiative" and in accordance with "the spirit of the Korean people themselves." After two-day of intensive talks in Pyongyang, President Roh Moo-hyun of the Republic of Korea and Chairman Kim Jong-il of DPRK pledged to set the tone and pace for the establishment of a new order of peace on the divided peninsula that the two countries share. Co-prosperity was emphasized as the objective. The "need to build a permanent peace regime" was portrayed as the centre-piece of "the reunification-oriented" agreement. Towards reunification itself, the two countries expressed readiness to "transcend the differences in ideology and systems". In an eight-point agreement announced after only the second inter-Korean summit in over 50 years, the two leaders agreed to "oppose [any future] war". It may be recalled that on August 8, the Spokesman of the MEA had welcomed the decision of the two leaders to meet later for the purpose. He had said: 'Government of India welcomes the decision. We support all efforts for peace and stability in the Korean Peninsula, and we hope that the Summit Meeting in Pyongyang will further contribute in a positive way to this objective.'
 2. The other major development the Spokesman was referring to the accord reached in Beijing among the six powers on DPRK agreeing to disable its nuclear weapons facilities by the end of the year 2007. The DPRK also signaled its willingness to allow the US to lead a group of experts to Pyongyang within two weeks "to prepare for disablement" its nuclear facilities. The latest agreement committed the North to make a "complete and correct declaration of all its nuclear programmes" _ which the U.S. has said would include the uranium issue.

MALAYSIA

375. Press Release issued by the Ministry of External Affairs on the 4th Session of the India-Malaysia Joint Commission.

New Delhi, February 15, 2007.

The Fourth Session of the India-Malaysia Joint Commission will be held in New Delhi on February 16, 2007. The Malaysian delegation will be led by H.E. Dato' Seri Syed Hamid Albar, Minister of Foreign Affairs of Malaysia and the Indian delegation will be led by H.E. Shri Pranab Mukherjee, Minister of External Affairs of the Government of India.

2. The proceedings will begin by a call by the Foreign Minister of Malaysia on the Minister of External Affairs followed by a Plenary Session of the two delegations to the Joint Commission. The meeting will be held in Hyderabad House.
3. The two Ministers will review the progress of bilateral relations since the last meeting of the Joint Commission and discuss bilateral cooperation in diverse areas including trade, investment, banking, civil aviation, shipping, ports, railways, tourism, culture, agriculture, health, energy, science and technology, information technology, biotechnology, space, defence and security, labour issues, immigration and consular issues, information, youth and sports, education, technical cooperation and other areas.
4. At the conclusion of the Joint Commission Meeting, the two Ministers will sign the Agreed Minutes of the Fourth Session of the India-Malaysia Joint Commission Meeting.



376. Briefing points by Official Spokesperson on Prime Minister's meeting with Malaysian Prime Minister in Singapore.

Singapore, November 21, 2007.

- Prime Minister met the Prime Minister of Malaysia, Mr Datuk Seri Abdullah Ahmad Badawi, today at 16:00 hours. The meeting took place in an extremely warm and cordial atmosphere. The Malaysian Prime Minister invited PM to visit Malaysia.
- Both leaders reviewed the progress of negotiations on the India-ASEAN FTA and agreed to accelerate efforts to conclude them by March 2008.
- PM welcomed the participation of Malaysian companies in India particularly in infrastructure development. Both sides agreed to increase bilateral trade and economic cooperation as well as investment in each other's country.
- It was a useful and productive meeting. The leaders looked forward to meeting once again during the forthcoming CHOGM Summit in Kampala.



377. Suo Motu Statement by External Affairs Minister Pranab Mukherjee in Lok Sabha regarding 'HINDRAF Demonstration in Malaysia'.

New Delhi, November 30, 2007.

During the morning session, some Hon'ble Members expressed their concern regarding the alleged harassment of participants of the rally organized by the Hindu Rights Action Force (HINDRAF) in Kuala Lumpur on November 25, 2007 and subsequent related matters. The stated purpose of the rally was to handover a petition to the British High Commission in Kuala Lumpur seeking the support of Queen Elizabeth II for a class action suit filed in the UK for the exploitation of Indians who were brought to Malaysia as indentured labour.

Government remains deeply solicitous for the welfare of people of Indian origin living abroad. As Members are aware, there is a large community of people of Indian origin in Malaysia who are citizens of that country. We have friendly relations with Malaysia and we are in touch with the Malaysian authorities in the related matter¹.



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1. A similar statement was made by the EAM in the Rajya Sabha also the same day. On the sidelines of the India-European Union Summit, Prime Minister Manmohan Singh too voiced concern over the issue. "This is a matter which concerns us. Whenever people of India run into difficulties, it is a source of concern," he told reporters when asked to comment on the matter.
- The issue was sparked off when on November 25 the HINDRAF, an umbrella group of non-governmental associations, had organised a protest rally in Kuala Lumpur to turn the international focus on the alleged "marginalisation" of nearly two million Malaysian Indians. In a letter addressed to British Prime Minister Gordon Brown, this umbrella group of non-governmental organisations sought his intervention in this regard. There is also an appeal to the UK to refer the matter to the International Court of Justice.
- The Malaysian Police used tear gas and water cannon to disperse the protesting crowds. The Chief Minister of Tamil Nadu had expressed his concern and requested New Delhi to intervene in favour of the Indian community.
- Meanwhile in Kuala Lumpur the Works Minister and President of the Malaysian Indian Congress Semi Vellu announced the appointment of a Panel to look into the grievances of the community. He said that Prime Minister Abdullah Ahmad Badawi had now asked the party to set up a "special committee" to submit a comprehensive report on the demands of the community. This report would be a sequel to the MIC's report, submitted to Mr. Badawi in June, under the title "New mechanism for the Indian community." The MIC is a constituent of the multi-racial coalition government headed by the United Malays National Organisation. The MIC will also set up a hotline to receive complaints ranging from those

concerning Tamil schools to issues relating to temples, according to Mr. Samy Vellu. In a related development, Mr. Badawi said he did not rule out the possibility of invoking the strict Internal Security Act (ISA) against HINDRAF. He said "the ISA is a preventive measure that can protect the country from serious disturbances of the peace. The ISA is still there and, when appropriate, will definitely be used. The Prime Minister accused the Hindraf of maligning the Malaysian Government through its actions and utterances. Referring to Prime Minister and other leaders' refusal to see the leaders of the HINDRAF while they visited New Delhi last week, the Malaysian Prime Minister Badawi was quoted by *the Star* Newspaper on December 10th to "appreciate" Indian stand and said "We have a good, firm relationship with India, a relationship based on mutual respect and understanding.... Any issue that crops up should be solved within the country itself, based on its own laws." Similarly Nazri Abdul Aziz, Minister in the Malaysian Prime Minister's Department, expressed appreciation for what Malaysia saw as New Delhi's stand of not extending support to the Hindraf campaign against the alleged "marginalisation" of ethnic Indians. (It may be recalled that the Malaysian Government had reacted strongly to initial comments by the Tamil Nadu Chief Minister Karunanidhi as well as concern by Prime Minister Manmohan Singh and External Affairs Minister Pranab Mukherjee, and accused India of trying to meddle in Malaysia's internal affairs. On being told by Kuala Lumpur of Hindraf's suspected terror links, Mukherjee subsequently said: "A terrorist is a terrorist... he has no religion, no nationality." However, Hindraf has denied having links with any terrorist organisation. Hindraf leaders are being described by the Kuala Lumpur media as extremists, and the government is reportedly probing their suspected links with terror groups, particularly the Liberation Tigers of Tamil Eelam. Meanwhile a Malaysian High Court on December 10 ordered trial of the Hindu Rights Action Force (Hindraf) leaders on sedition charges, amid an official crackdown on Opposition politicians and lawyers campaigning for human rights. Referring to the trial Malaysian Prime Minister Abdullah Ahmad Badawi said: "If the choice is between public safety and public freedom, I do not hesitate to say that public safety will always win." He accused that the Hindraf was seeking to destabilise Malaysia. Separately in a rebuke of Hindraf leadership, Deputy Prime Minister Najib Tun Razak said: "We don't have to dance to Hindraf's tune? ... Who are they? They don't represent the Indian Malaysian community. If they go against the law, we will definitely take action. In fact, we have already started taking action."

MONGOLIA

378. Remarks by External Affairs Minister Pranab Mukherjee at the book release “Mongolia: The land of Blue Skies” at India International Centre.

New Delhi, December 11, 2007.

My colleague, Sh Pallam Raju, Minister of State for Defence,

Shri Gauri Shankar Gupta,

Your Excellency Ambassador of Mongolia,

Secretary West, Shri Nalin Surie,

Distinguished Guests,

Ladies and Gentlemen,

As a child, perhaps like children all over the world, I was fascinated by the adventures and exploits of the great Mongol leader Chinggis Khan. His overland journey through Asia and into Europe in the 13th century was as historically significant as the sea journeys of Vasco Da Gama or Christopher Columbus in heralding the new age of globalization that was to change the world forever. His descendants founded the great Mughal Empire, whose invaluable contribution to our history is symbolized by the Taj Mahal and the other great monuments of that time.

Of course, India's contacts with Mongolia began far before this time. The message of the Buddha that was carried by Indians to Central, East and South East Asia, also made its way to the vast steppes of Mongolia where it has found a permanent home for over two millennia. Mongolian monks studied at Nalanda University during its heyday. And over the centuries, some of the great works of Indian spiritual and secular literature, including the *Ramayana* and Kalidas' *Megha Doota* were to find their way into the body of sacred literature – the *Tanjur* and the *Kanjur* – that the Mongolian people now consider their civilizational heritage. The Mongolian people describe India as a “spiritual neighbour”. This is a great tribute when you recall that such a great distance separates us geographically.

Prime Minister Jawaharlal Nehru and other leaders of modern India had a very special regard for the Mongolian people. It was at Prime Minister

Nehru's behest that a Mongolian delegation visited India for the 'Asian Relations Conference' in 1947. These ties have been steadily reinforced and nurtured in the sixty years after our independence through exchange of high level political visits and through cooperation in diverse areas, including in the field of education, training, agriculture and information technology. Since 1990, Mongolia's transition to market economy has also opened new opportunities for economic cooperation. In 2004, during the visit of the Prime Minister of Mongolia, we also established a Partnership to symbolize our shared commitment to see ever-expanding ties at all levels between our two peoples and two countries. We work together in regional and multilateral forums. We acknowledge with gratitude the unwavering support of Mongolia to our aspirations for permanent membership of the UN Security Council.

We will work to enhance these multi-faceted ties in the years ahead.

The publication and release of the book *Mongolia: The Land of Blue Skies* is therefore a timely and useful contribution to the promotion of wider understanding about Mongolia and its people in India. It gives a comprehensive introduction to its long and glorious history and contributions to civilization, as well the Mongolia of today. It also introduces Indians to modern Mongolia, with whom we share the values of democracy and rule of law. The beautiful photographs in the book complement the rich and informative text. I am particularly pleased that Shri Gauri Shankar Gupta, our former Ambassador to Mongolia, has authored this beautiful volume. In doing so, he has followed many of his illustrious predecessors in the Indian Foreign Service who have written with great knowledge and sensitivity about the countries they have served in. It is important that our representatives to foreign nations understand and empathize with the countries in which they serve. They not only represent us in foreign lands; they are also bridges that serve to promote two-way understanding and to share information with the people of India. I congratulate Shri Gupta for performing this important task, and also Roli Books for publishing this book. I believe that its publication is timely. It will create better awareness amongst Indians about Mongolia, including the common heritage that we share and our deep friendship and respect for each others' way of life that stretches back to the times of the Buddha. I commend all those associated with this fine effort.

Thank you.



MYANMAR

379. Press Release of the Ministry of External Affairs on the visit of External Affairs Minister Pranab Mukherjee to Myanmar.

New Delhi, January 22, 2007.

Shri Pranab Mukherjee, Minister for External Affairs visited Myanmar from 19-21 January, 2007. During his visit, he met with Vice Senior General Maung Aye, Vice Chairman of the ruling State Peace and Development Council (SPDC), General Soe Win, Prime Minister, U Nyan. Win, Minister for Foreign Affairs, Brig. Gen. Thura Myint Maung, Minister for Religious Affairs, U Soe Tha, Minister for National Planning & Economic Development.

EAM's visit is a part of a series of high-level contacts that we have had over the last one year. Our President paid a successful visit to Myanmar in March 2006 and the visits of General Thura Shwe Mann, Chief of General Staff as well as Home Minister General Maung Oo followed, both in December 2006. Myanmar is a close and friendly neighbour with whom India shares links of geography, culture and religion. There is a large population of persons of Indian Origin in Myanmar. We also share a long border of about 1600 Kms.

While welcoming Myanmar's commitment not to allow its territory to be used for activities inimical to India, EAM sought their continued and sustained cooperation in this regard. Discussions between the two sides also centred on ways and means to strengthen cooperation in the energy sector. Apart from ways to augment trade ties, infrastructure projects were also discussed. Both sides stressed the need for early conclusion of a Bilateral Investment Promotion and Protection Agreement and an Agreement on the Avoidance of Double Taxation.

EAM was received warmly by the Myanmar leadership and discussions were held in a very cordial and friendly atmosphere reflecting the excellent relations between the two countries¹.



¹ Earlier at the start of his visit, External Affairs Minister told journalists in Yangon that India regarded the issue of democracy and human rights as "an internal matter" of that country. This was welcome to the Myanmar as only a few days earlier United States had unsuccessfully tried to censor Myanmar in the UN Security Council. Mr. Mukherjee said

that India had to deal with governments "as they exist... We are not interested in exporting our own ideology. We are a democracy and we would like democracy to flourish everywhere, but this is for every country to decide for itself." At the same time, he said that the Myanmar authorities had their own programme for "national reconciliation" and expressed the hope that this process would "lead to its logical conclusion." Explaining the importance of Myanmar to India, EAM said the two countries shared a border that was 1600 km long. "Myanmar is our only neighbour which is also a member of the ASEAN. So our relationship is very much in keeping with India's 'Look-East' policy." Two specific issues he highlighted were energy and cooperation and enhanced transportation links between the two countries. Myanmar is also an oil rich country and ONGC Videsh and GAIL already had a 30 percent stake in two off-shore blocks. "We would like to increase our participation and also construct a natural gas pipeline from here to India," said Mr. Mukherjee. He added that the earlier plan of a gas pipeline via Bangladesh had run aground because Dhaka "put extraneous conditions" and now India was looking for a bilateral project. "Of course, in order to invest in such a pipeline we need an assured supply of gas," he said. Meanwhile Vice Senior General Maung Aye, second in command of Myanmar's military regime said his government was not yet ready to guarantee assured supplies of gas for the proposed pipeline because the requisite survey of reserves was not yet complete. He said the survey would be completed by April or May. If the reserve prove to be large enough and India was able to offer a competitive price, his government would have no objection to earmarking it for an Indian pipeline. The External Affairs Minister said India was interested in developing border infrastructure and improving physical connectivity between Myanmar and India. In particular India was keen to work on a project to connect Sitwe, Myanmar's principal port on the Bay of Bengal with Mizoram via the Kaladan inland waterway and build a 65-km long road. On the political importance of Myanmar to India, the EAM recalled the assurances of the Myanmar leadership that elements hostile to India would not be allowed to use their country's territory. Media report suggested that India was prepared to offer a soft loan of \$ 10 million so that the facilities in Sitwe could be improved and a link road to the Mizoram border constructed. During his discussions EAM also showed Indian readiness to provide more locomotives and rolling stock for Myanmar's metre gauge network. Media reports on the meeting of EAM with Gen. Maung Aye suggested that India promised Myanmar's military rulers a "favourable response" to their request for military equipment. EAM conveyed the Indian decision to Gen. Aye during his 45-minute meeting. Speaking to reporters after the meeting Mr. Mukherjee said that he told his hosts that India was willing to expand the ambit of military cooperation between the two countries. A specific request for equipment had been made by Gen. Thura Shwe Mann, the regime's number three during his visit to New Delhi last December. "We have examined the request and decided to give a favourable response", Mr. Mukherjee said. Apart from equipment, Mr. Mukherjee said the Myanmar side wanted Indian help in servicing and upgrading their MiG fighter fleet. But since the intellectual property rights were Russian, this would require prior consent from Moscow.

Meanwhile Minister of State for Railways in reply to a question informed the Lok Sabha on April 26 that "the Ministry of External Affairs had, through Rail India Technical & Economic Services (RITES), carried out a feasibility study for India-Myanmar rail link. "The Report is currently under bilateral consultation. The likely expenditure as per the study on construction of new rail link between Jiribam - Moreh in India and Tamu-Kalay-Segyi in Myanmar is estimated to cost Rs. 4280 crore. The link will provide substantial benefit to bilateral trade between India and Myanmar. No specific timeframe has been set for these projects."

380. Report on the Construction of the 100-km rail link on the Indian side of Myanmar in the Asian Highway Project.**New Delhi, March 22, 2007.**

A major initiative has been launched by the railways of India and Myanmar to work on a 315 km "missing rail link" to ensure cross-border travel and freight movement. On its part, India has already sanctioned funds for the construction of a 100-km patch on its side.

"There have been discussions going on between the railways of the two countries and things so far have been very smooth. Both sides have agreed to work towards forging this new relationship to complete the missing link of 315 km. We are taking up construction of 100 km of the link on the Indian side and the rest will also be completed in due course of time. It is likely to cost around Rs.1,100 crore," Railway Board Chairman J.P. Batra told presspersons.

The rail links with Pakistan and Bangladesh were running smoothly, Mr. Batra said. However, there was a break-up in the link between India and Myanmar to a length of 315 km. "Out of this missing link, 100 km on the India side has been sanctioned and discussions are on for the completion of the project. The Ministry of External Affairs is going into the issue of how the project could be funded. Myanmar has shown considerable interest and I am sure very shortly we will reach an agreement on the funding pattern." Progress had been made on the North-South link - Russia with India via Iran. Similarly, a corridor connecting China with India through Myanmar was also under consideration. The Governments of India, China and Myanmar were keen on putting in place a multi-modal transport system between their countries as part of a strategy to forge Asian links. Mr. Batra said India would sign a Trans-Asia Railway Agreement by the middle of the year in the United Nations, with the Union Cabinet passing it recently.

Policy planners from major railways across the globe are anxious to chalk out a plan for promoting early construction of "missing rail links" in the Trans-Asian network in order to tap the vast economic potential.



381. Statement by External Affairs Minister Pranab Mukherjee on the situation in Myanmar.

New York, September 26, 2007.

We are concerned at the situation in Myanmar and are monitoring it closely. It is our hope that all sides will resolve their issues peacefully through dialogue¹.

1. On the same day the Official Spokesman of the MEA in response to a question said in New Delhi: "The government of India is concerned at and is closely monitoring the situation in Myanmar. It is our hope that all sides will resolve their issues peacefully through dialogue. India has always believed that Myanmar's process of political reform and national reconciliation should be more inclusive and broad-based." The EAM and the Spokesman were responding to the situation created by the massive demonstrations by the Buddhist monks in Yangon near the residence of democracy leader and Nobel Laureate Aung San suu Kyi and joined in by a large crowd of people demanding democracy and protesting at the death of three monks in firing by the security forces. India's concerns were born out of security and economic concerns. The developments in Myanmar had the potential of upsetting India's security calculations in the northeast, besides interest in the hydrocarbon sector, other initiatives that added to the concern were breakthrough in getting an alternate terrestrial route to the northeast via Myanmar and bilateral and multilateral negotiations to promote greater economic cooperation. Only in the previous week India had signed for production sharing contacts in the three deep-water exploration blocks. In addition, India was part of a consortium looking for gas in two more blocks. India had also bettered its earlier offer to develop the Shitwe port after Myanmar objected to the original plan to New Delhi developing and operating the port facilities. Approved by External Affairs Minister Pranab Mukherjee, the new offer to build the port and hand it over immediately to Yangon was seen as more acceptable. "The major shift in paradigm of the project," would enable India to build a waterway and a road link to Mizoram. India is also engaged with Myanmar on stepping up of trade through more land routes as part of its Look-East policy. Mr. Mukherjee was keen that the northeast States are benefited in the process. India has invested heavily in the Myanmar's defence sector. It may be recalled that in May during the visit of Naval chief Admiral Suresh Mehta India had transferred to Myanmar an Islander aircraft. It was one of the three such aircraft which India had sold to Myanmar at "friendship price". In fact, plans were afoot to give Myanmar even more Islanders, bought from UK in the late-1970s, since the Indian Navy was phasing them. Moreover, apart from technical support and training, the transfer of 105mm light artillery guns, T-55 tanks, naval gun-boats, mortars, grenade-launchers, rifles and other small arms to Myanmar were also underway. India also planed to provide Myanmar with some armaments and electronic equipment, including radars manufactured by Bharat Electronics Ltd, for its warships like frigates and corvettes. In fact, Admiral Mehta's visit was just the latest in the series of high-level visits to Myanmar, with external affairs minister Pranab Mukherjee, Army chief General J J Singh and defence secretary Shekhar Dutt, among others, travelling to the country in recent times. In turn, India had managed to receive support from Myanmar in curbing anti-India militant activity on its territory. A clear enunciation of the policy in regard to violation of human rights in Myanmar was enunciated by India's Permanent Representative Ambassador Swashpawan Singh at the UN Human Rights Commission in Geneva on October 2. Please see Document No. 383.

As a close and friendly neighbour, India hopes to see a peaceful, stable and prosperous Myanmar, where all sections of the people will be included in a broad-based process of national reconciliation and political reform.

Myanmar's process of national reconciliation initiated by the authorities should be expedited.



382. Press Release issued by the Permanent Mission of India on the meeting between External Affairs Minister Pranab Mukherjee and Foreign Minister of Myanmar in New York.

New York, October 1, 2007.

External Affairs Minister Shri Pranab Mukherjee met the Foreign Minister of Myanmar, Mr. U Nyan Win, on the margins of the ongoing General Debate of the UN General Assembly today.

During the meeting, the External Affairs Minister expressed concern at the current situation in Myanmar, noting that as a close and friendly neighbour, India hoped to see peace, prosperity and stability in Myanmar. The Minister also expressed the hope that the process of national reconciliation and political reform, initiated by the Government of Myanmar, would be taken forward expeditiously. Further, he suggested that the Government could consider undertaking an inquiry into recent incidents and the use of force.

The situation in Myanmar also figured thereafter in the meeting between the External Affairs Minister and Mr. Ban Ki-moon, Secretary-General of the United Nations, on October 1, 2007

Earlier, Foreign Secretary Shivshanker Menon had met Mr. Ibrahim Gambari, Special Advisor of the UN Secretary General, on September 24. This meeting followed upon the visit of Mr. Gambari to New Delhi in July 2007, during which he held discussions with the Foreign Secretary regarding developments in Myanmar.

These meetings took place in context of India's continuing engagement on these issues.



383. Statement by Permanent Representative Ambassador Swashpawan Singh at the 5th Special Session of the Human Rights Council on the Human Rights Situation in Myanmar.

Geneva, October 2, 2007.

Mr. President,

My delegation would like to thank the High Commissioner for Human-Rights and the Special Rapporteur on Myanmar for their presentations. We also thank the delegation of Myanmar for their briefing on the current situation in the country.

2. Myanmar is a close and friendly neighbour with whom India shares links of geography, culture, history and religion. Our bilateral relations are reflective of these multifarious and traditional linkages. It is in this context that recent developments in Myanmar are a matter of concern for the Government of India and we are closely monitoring the situation there.
3. The External Affairs Minister of India met with the Foreign Minister of Myanmar in New York on 1 October 2007¹ on the margins of the ongoing General Debate of the UN General Assembly. During the meeting, the External Affairs Minister expressed concern at the current situation in Myanmar, noting that as a close and friendly neighbour, India hoped to see peace, prosperity and stability in Myanmar. The Minister also expressed the hope that the process of national reconciliation and political reform, initiated by the government of Myanmar, would be broad-based, inclusive and taken forward expeditiously. Further, he suggested that the Government of Myanmar consider undertaking an inquiry into recent incidents and the use of force.
4. Government of India believes that the release of Aung San Suu Kyi would be helpful in terms of the process of democratization and that she can contribute to the emergence of Myanmar as a democratic country.
5. India welcomes the visit of the Mr. Ibrahim Gambari, UNSG's Special

1. Please see Document No. 382.

Envoy to Myanmar and welcomes Government of Myanmar's engagements with the UN System which we see as indicative of their desire to continue to be fruitfully engaged with the international community. India's Foreign Secretary had met with Mr. Gambari in New York on September 24. This meeting followed upon the visit of Mr. Gambir to New Delhi in July 2007 during which he held discussions with the Foreign Secretary regarding developments in Myanmar. These meeting took place in the context of India's continuing engagement on these issues.

6. My delegation would work together with like-minded countries towards an outcome which is forward looking, non-condemnatory and seeks to engage the authorities in Myanmar in a constructive manner to facilitate a peaceful outcome².

Thank you, Mr. President.

Human Right Council

Fifth Special Session

Human Rights Situation in Myanmar

Explanation of Vote by INDIA

Mr. Presidents,

India has always emphasized the importance of promotion and protection of human rights through dialogue and cooperation.

2. Media quoted official sources to suggest that while India was committed to a forward looking policy to meet the situation in Myanmar, India was opposed to any sanctions, because it felt regimes like this know how to deal with sanctions and pass on the whole weight to the people. India would like the regime to start the process of dialogue and let the people of Myanmar choose the direction they want. New Delhi believed that the military junta would initiate talks with the jailed pro-democracy leader Aung San Suu Kyi. New Delhi also believed that "India will soon get transit rights to the north-east through Myanmar," according to official Indian sources quoted in the media. "Ms. Suu Kyi seems ready to talk and find a solution. Our assessment is that Myanmar will start some sort of a broader dialogue process. The United Nations envoy to Myanmar, Ibrahim Gambari, is also hopeful, especially after the regime appointed a Vice-Minister to liaison with Ms. Suu Kyi. The Indian Ambassador in Myanmar has also met her as did Mr. Gambari," these sources said. "In our every conversation with the regime, we have conveyed our concern about Ms. Suu Kyi. We have also urged them to adopt an inclusive process and include the monks, an important social force, to help make the polity more broad-based. External Affairs Minister Pranab Mukherjee has suggested a probe into the bloodshed and fixing of responsibility and the regime appears to have taken some of the suggestions on board," they added.

2. It is in this context that we had expressed our willingness to work together with like-minded countries towards an outcome which is forward looking, non-condemnatory and seeks to engage the authorities in Myanmar in a constructive manner to facilitate a peaceful outcome.
3. We regret that the text of the resolution adopted is not fully in conformity with this approach. Further, its unhelpful tone does not contribute to effectively pursuing the objective of engaging constructively with the authorities in Myanmar which is essential to make a difference to the situation on the ground.
4. Despite these concerns my delegation has joined the consensus with the hope that the Council's further engagement on the issue will be undertaken in a more positive manner.

Thank you, Mr. President.



384. Briefing Points by Official Spokesperson on the visit of Ibrahim Gambari, Special Envoy of UN Secretary General.

New Delhi, October 23, 2007.

- H.E. Mr. Ibrahim Gambari, Special Envoy of UN Secretary General, visited New Delhi on 22-23 October 2007 as part of his consultations with countries in the region on the situation in Myanmar.
- During his visit, Mr. Gambari called on the Prime Minister and the External Affairs Minister. He also held discussions with the Foreign Secretary¹. Recent developments in Myanmar and the ongoing efforts of the UN Secretary General's Good Offices were discussed.
- In his discussions, Mr. Gambari outlined the purpose of his mission which was to deliver a message from UN Secretary General, brief the Government of India on developments since his last visit to

1. According to media reports when Mr. Gambari met the Foreign Secretary on October 22, the latter emphasised that New Delhi favoured democracy in the country, but opposed coercion. He added that India had to keep in mind its interests in Myanmar while seeking reconciliation and democracy in the military-ruled country. They discussed ways in which the Myanmar leadership could see what the people of that country wanted. On October 24 speaking in Herbin(China) EAM opposed imposing sanctions on Myanmar and called

Myanmar and seek India's support for UN Secretary General's Good Offices and the Special Envoy's mission. He conveyed a message from UN Secretary General Mr. Ban Ki-Moon expressing encouragement over the initial steps taken by the Government of Myanmar at the suggestion of the UN Special Envoy and stressing the commitment of the UN Secretary General to facilitate a dialogue process in Myanmar. This message also conveyed his appreciation for the efforts by India, both bilaterally and in the context of the United Nations.

- In his meeting with Mr. Gambari, External Affairs Minister referred to his earlier meeting with H.E. Foreign Minister of Myanmar U Nyan Win in New York, during which he had stressed the need for expediting the implementation of the political reform and national reconciliation process so that the concerns of the international community are addressed. He emphasised that this process should be broad-based to include all sections of society. He also mentioned that the UN Good Offices should facilitate the political reform process in a constructive way, through an integrated and comprehensive approach.
- During Mr. Gambari's call, the Prime Minister expressed India's

for encouraging all stakeholders to advance political reforms and national reconciliation, a move jointly supported by China and Russia. "We believe that the initiative taken by the U.N. Secretary-General [Ban-Ki Moon] to open dialogue amongst the various stakeholders in Myanmar should be encouraged," External Affairs Minister Pranab Mukherjee said at a joint press conference after the end of the third standalone meeting of Foreign Ministers of India, China and Russia at Harbin. Mr. Mukherjee said India had also suggested that the process of political reform and national reconciliation should be expedited on a broad base and equally among all stakeholders. "We believe that Myanmar authorities should be encouraged to engage in the process of dialogue with the Special Envoy of the U.N. Secretary-General [Ibrahim Gambari], the initiative which he has taken should be encouraged to take it to the logical conclusion and there should not be any sanctions at this stage," the External Affairs Minister emphasised. Mr. Mukherjee acknowledged that the Myanmar issue had figured prominently during the trilateral meeting and they exchanged views on it. Ultimately, the issue of Myanmar should be resolved by the Myanmar government and the country's people, Chinese Foreign Minister Yang Jiechi said. He said China believed that the parties concerned would conduct dialogue to help Myanmar restore stability and improve the life of the people and promote democracy and development in Myanmar. External Affairs Minister again referred to developments in Myanmar . when he told journalists on the sidelines of the Conference on Asian Economic Integration in New Delhi in on November 12 and said: "We want political reforms and the process of reconciliation to start immediately and it has to be inclusive... As far as possible, important political prisoners should be released. There should be some sort of inquiry into the excesses which were resorted to as it is being alleged by the media and other sources."

support for the UN Secretary General's ongoing efforts to encourage a resumption of the dialogue process within Myanmar. The Prime Minister expressed satisfaction that Mr. Gambari would be returning to Myanmar very soon to carry his discussions forward.

- Earlier, on 20th October 2007, the Prime Minister had spoken to UN Secretary General, Mr. Ban Ki-Moon, on the situation in Myanmar. He reiterated India's conviction that the process of national reconciliation and political reform initiated by the Government of Myanmar should be taken forward expeditiously in an inclusive manner, including Daw Aung San Suu Kyi.
- As a close and friendly neighbour, India has multi-dimensional linkages with Myanmar. Consequently, initiatives should be mindful of the need for a peaceful and stable Myanmar. India will continue to play a constructive and positive role, along with like-minded countries, to this end.



385. Remarks of External Affairs Minister Pranab Mukherjee on the situation in Myanmar.

New Delhi, November 12, 2007.

India again asked Myanmar to initiate inclusive political reforms. It also called upon Myanmar to release political prisoners "as far as is possible" and probe violence against unarmed civilians. "We want political reforms and the process of reconciliation to start immediately and it has to be inclusive," External Affairs Minister Pranab Mukherjee told newsmen on the sidelines of a conference on Asian economic integration in New Delhi on 12 November.

"As far as possible, important political prisoners should be released. There should be some sort of inquiry into the excesses which were resorted to, as it is being alleged by the media and other sources."

While other countries, notably from the West, have been urging India to take a strident line on the suppression of political freedom and human rights in Myanmar, Unlike many other countries, New Delhi however, refrained from being seen as frequently castigating the junta because of its own unique national interest including a 1,400-km boundary between Myanmar and four sensitive northeastern States.

Myanmar would be crucial for India a surface route to Thailand and other countries as part of India's efforts to integrate its Look East policy with the development of the northeastern States.

India has been allowed to prospect for energy along Myanmar's shoreline. If production was economical, energy can be transported across the Bay of Bengal or a pipeline laid along the proposed transit route through Myanmar.



386. Statement by Member of Parliament and Member of the Indian Delegation to the UN Kunwar Sarvaraj Singh on draft Resolution A/C.3/62/L.41 [REV.I] Titled "Situation of Human Rights in Myanmar" at the Third Committee of the 62nd session of the UNGA.

New York, November 20, 2007.

Mr. Chairman,

We would like to thank you for allowing my delegation to make an Explanation of Vote after the Vote on the draft resolution A/C.3/62/L.41 (Rev.1) titled "Situation of human rights in Myanmar"

India has always emphasized the importance of promotion and protection of human rights through dialogue, consultation and cooperation, as such an approach has a better chance of leading to genuine improvement in the enjoyment of human rights by the people of a country. We are once again faced in this Committee by a major challenge in determining the most effective approach for promotion and protection of human rights. We need a self-critical appraisal of whether the international community has managed to achieve a genuine improvement in human rights through giving of 'report cards' against countries or even by undertaking intrusive monitoring.

In connection with the recent developments in Myanmar, India has consistently maintained that all initiatives taken in this connection should be forward-looking, non-condemnatory and seek to engage the Government of Myanmar in a non-intrusive and constructive manner. We believe that such an approach will also support the UN Secretary General's Good Offices and his Special Advisor Mr. Ibrahim Gambari's ongoing dialogue with Myanmar. We have impressed upon Myanmar that the process of political

reform and national reconciliation should be taken forward expeditiously and should be broad based to include all sections of society. We, consequently, support the UN Secretary General's initiative for taking this process forward in an integrated and comprehensive manner.

Mr. Chairman,

It is, therefore, a matter of regret that the text of this draft resolution is not in conformity with this approach. By adopting a condemnatory, intrusive and unhelpful tone, this draft resolution will not contribute or strengthen the initiatives being taken by the UN and may, in fact, prove to be counterproductive.

It is also not reflective of recent positive steps being taken by the Government of Myanmar, including the visit of the Special Rapporteur on the situation of human rights in Myanmar, Dr. Paulo Sergio Pinheiro to Myanmar and the series of meetings between Daw Aung San Suu Kyi and the specially appointed Minister for Relations. Since the text of the Resolution is neither in conformity with the UN's own initiative on the Myanmar issue nor current thinking on this matter, we had no option but to vote against the resolution.

Thank you Mr. Chairman.



387. Briefing points by Official Spokesperson on Prime Minister's meeting with Prime Minister of Myanmar.

Singapore, November 21, 2007.

- Myanmar is a close and friendly neighbour and developments in that country have a bearing on India. We attach importance to our relations with Myanmar.
- This was Prime Minister's first meeting with new Prime Minister of Myanmar. Discussions covered bilateral and regional issues. The Myanmar Prime Minister briefed PM on internal developments in Myanmar and the efforts of his government at political reform and national reconciliation.
- PM conveyed India's position that the reform process should be broad based, including Daw Aung San Suu Kyi and the various ethnic nationalities, and that it should be carried forward expeditiously towards a satisfactory conclusion.
- India supports the efforts of the UN Special Envoy to engage the Government of Myanmar on behalf of the international community to facilitate the process of reconciliation¹.
- The two leaders also reviewed the status of various bilateral projects.



1. The meeting between the two Prime Ministers lasted about half an hour, and Gen. Sein briefed Dr. Singh on the current developments in Myanmar. Dr. Singh's meeting with his Myanmar counterpart was seen in the ASEAN circles as an important sign of India's relevance to the evolving political scenario in that country. India's renewed accent on the centrality of the U.N.'s good offices acquired new salience in the context of the ASEAN's latest move to steer clear of the current Myanmar crisis and let the junta "deal directly with the U.N." Prime Minister's meeting with Gen. Sein was also seen in Singapore the context of the ASEAN's insistence that China and India should seek to influence the thinking of the Myanmar junta. On the 4th November the New Delhi daily *Hindustan Times* quoting official sources reported that India had put all sale and transfer of arms to Myanmar on hold. The decision follows the suppression of pro-democracy protests in that country. India believes contact with the junta is in its strategic interest, but also wants to send out a message that it's not quite business as usual any longer. According to the report India gave Myanmar three British-made Islander aircraft last year. It may be recalled that in January, External Affairs Minister Pranab Mukherjee had said India was willing to expand military ties. "We have decided to give a favourable response (to the request for military equipment)."

388. Press Release of the Ministry of External Affairs on the visit of the Deputy Minister of Myanmar Kyaw Thu for Foreign Office Consultations.

New Delhi, December 11, 2007.

H.E. Mr Kyaw Thu, Deputy Minister in the Ministry of Foreign Affairs of the Government of the Union of Myanmar visited New Delhi at the invitation of the Foreign Secretary Shri Shivshankar Menon for Foreign Office Consultations between India and Myanmar.

Delegation level talks were held at Hyderabad House on 11 December 2007. During the visit Mr Kyaw Thu also called on External Affairs Minister Shri Pranab Mukherjee.

The discussions covered all areas of mutual interest including bilateral, regional and international issues and were marked by the friendship and cordiality that mark relations between India and Myanmar as close neighbours. An MoU for the establishment of the India-Myanmar Centre for Enhancement of Information Technology Skills (IMCEITS) at Yangon under Indian assistance will be signed by the two sides on 12 December 2007.

Myanmar is a close and friendly neighbour, with whom India shares a border of more than 1600 kms. Bilateral trade between the two sides is nearly USD 1 billion. Myanmar also serves as a gateway to South East Asia. India is committed to extend assistance to Myanmar on various developmental projects of mutual benefit including the Kaladan Multi-modal Transport Project. The Foreign Office Consultations is an annual feature and is one of the seven institutional mechanisms between the two countries for bilateral dialogue between India and Myanmar.



PHILIPPINES

389. Speech of President Smt. Pratibha Devisingh Patil at the banquet in honour of Philippines President Mrs. Glolria Macapagal Arroyo.

New Delhi, October 5, 2007.

Your Excellency, President Gloria Macapagal Arroyo,

Distinguished Guests,

Ladies and Gentlemen,

I am delighted to welcome you to India. I wish you a very pleasant stay and I hope we are able to reciprocate the warmth and hospitality that the people of the Philippines are so well known for.

Excellency, your father Diosdado Macapagal visited India in 1961 in his capacity as the Vice President of the Philippines. Today is thus a very special occasion when we warmly welcome his daughter to India as the President of the Philippines, a country which your national hero Dr. Jose Rizal described as the "Pearl of the Orient Sea". Your visit, Madame President not only has a special significance, but would also mark a defining moment in the development of our bilateral relations.

India and the Philippines enjoyed peaceful and mutually beneficial contacts long before the colonial era, when seafarers and traders from India visited the Philippines via Indonesia and the Malaya peninsula. The cultural and linguistic legacy of these early contacts is still visible today. Both our countries also shared a similar history of colonialism and the struggle for freedom and democracy.

Our great leaders, Mahatma Gandhi and Dr. Jose Rizal inspired the freedom movements in their respective countries. Although they were not exact contemporaries, their vision had remarkably much in common in the pursuit of internal social and economic reform as being equally important to the attainment of political independence. These values have endured in our years of independence. Our common commitment to democracy and an open society, pluralism and inclusiveness constitute a natural bond between the two countries.

Today, India and the Philippines stand at the threshold of a new era of progress. Both countries are witnessing historically unprecedented rates of economic growth. Under your stewardship Madame President, the Philippine economy has registered the highest growth rates in over two decades. The Indian economy is also now enjoying sustained high rates of growth. This is indeed an opportune moment to further intensify trade and investment links between our two countries.

Our economic links have been growing, but have perhaps still not attained their full potential. Our companies have invested in areas such as textiles and steel in the Philippines, but there is scope to facilitate greater investment flows. New opportunities for cooperation are arising in a variety of sectors including agriculture and animal husbandry, pharmaceuticals, mining and non-conventional energy. It is a matter of considerable satisfaction, that both our countries have emerged as global leaders in Information Technology and IT enabled services. This is a most promising area of future cooperation and collaboration, that will enable our IT companies to jointly pursue business opportunities in third countries. Madame President, your visit will undoubtedly give a fillip to the intensification of our bilateral economic relations.

Under our "Look East" policy, India is committed to an extensive and deep partnership with the ASEAN and the countries of East Asia, including the vision of creating an Asian Economic Community. The Philippines is a strong pillar of our multi-dimensional engagement with the region. We congratulate the Philippines for its recent successful and fruitful Chairmanship of ASEAN and the East Asia Summit which gave further momentum to the process of close engagement amongst the countries of Asia. We particularly value the consistent support given by the Philippines for India's participation in the East Asia Summit.

Madame President, for the first time in modern history, Asia is in the process of taking center-stage in world affairs. The 21st Century truly belongs to Asia. We fully endorse your vision to see your country join the ranks of the First World by 2020. We also believe that India has a crucial role to play in the emerging world order. Our shared commitment to the values of non-violence and tolerance should serve as an inspiration and a beacon of hope in a world plagued by narrow sectarianism and terrorism. India is committed in its resolve to foster friendly ties with all nations of the world and together with the Philippines work towards enhancing international peace and security.

May I now request Your Excellencies, Ladies and Gentlemen, to join me in a toast:-

- to the good health and happiness of President Gloria Macapagal Arroyo;
- to the continued progress and prosperity of the people of the Philippines; and
- to the friendship and cooperation between India and the Philippines.



390. Declaration of a Framework of Bilateral Cooperation between the Government of the Republic of India and the Government of the Republic of the Philippines.

New Delhi, October 5, 2007.

The President of the Republic of the Philippines H.E. Mrs. Gloria Macapagal Arroyo paid a State Visit to India from October 4-6, 2007 at the invitation of the President of the Republic of India H.E. Mrs. Pratibha Patil. During the visit, the President of the Philippines held bilateral discussions with the Prime Minister of India, Dr. Manmohan Singh on October 5, 2007.

During discussions held between the Prime Minister of India and the President of the Philippines, the two leaders observed that the Republic of India and the Republic of the Philippines have achieved significant progress in their relations since the establishment of diplomatic relations on 16 November 1949. Closer cooperation in the political, economic, cultural, educational, scientific and other fields have contributed to the development of the two countries and brought concrete benefits to their peoples.

The two leaders affirmed their determination to further strengthen their close friendship and multi-faceted cooperation in the years ahead through the establishment of a new Framework of Bilateral Cooperation between India and the Philippines.

The Prime Minister of India and the President of the Philippines noted that this new Framework of Bilateral Cooperation drew upon the strength of their longstanding friendship and their close working relationship in the Non-Aligned Movement, the ASEAN-India Dialogue, the ASEAN Regional

Forum and other fora, in order to build a dynamic and reliable partnership, to advance the fundamental interests of their two peoples and thereby contribute to peace, security, sustained growth, and development in Asia.

The two leaders agreed to establish this partnership on the basis of good neighborliness, cooperation and mutual trust and benefit. They reaffirmed that the purpose and principles of the United Nations Charter, the principles established in the Treaty of Amity and Cooperation in Southeast Asia and other universally recognized principles of international law were the basic norms governing the relations between the two countries.

With a view to elevating India-Philippine relations to greater heights, the Prime Minister of India and the President of the Philippines agreed that India and the Philippines would maintain close and frequent high-level contacts and exchanges of visits at all levels, including government officials, the business sector, nongovernment organizations, the academic community, and cultural groups, in order to contribute to a comprehensive, stable, and sustained development of bilateral relations.

The two leaders resolved that India and the Philippines would utilize newly established mechanisms like the Joint Commission to chart out the road map of bilateral cooperation and to monitor its implementation. They also resolved to continue the annual Policy Consultations / Security Dialogue and other bilateral mechanisms in order to facilitate the exchange of views on bilateral, regional and international issues of common interest, and promote deeper cooperation in various fields.

It was agreed that in order to enhance access to affordable medicines for their respective people and foster the overall development of their health and medical sectors, the two sides will explore ways to deepen cooperation in the field of health and medicine, particularly in the areas of drug and pharmaceutical products, medical education, medical equipment, medical supplies, public health, communicable disease control and surveillance, hospital management, traditional and alternative medicine and health/medical tourism.

The two sides expressed their willingness to cooperate in the field of information technology, including sharing of expertise and joint activities in research and development (R&D) in software development, business process outsourcing (BPO) related undertakings, information infrastructure-related projects, and E-government-related undertakings.

The two sides agreed to explore ways to pursue cooperation in the field of

mining, real estate, energy, particularly in renewable energy, natural gas and biofuel industries.

It was also agreed to promote further exchanges and cooperation in the defense and military fields, as mandated under the India-Philippine Memorandum of Agreement on Defense Cooperation signed in 2006, to include defense technology cooperation, and exchanges of military training and expertise, instructors/observers, and of visits of military aircraft and military naval vessels.

Recognizing that terrorism constituted one of the most serious threats to international peace and security the two leaders agreed to cooperate in the prevention, investigation and suppression of transnational crimes, including sharing of intelligence information, exchanges in law enforcement technology, equipment and personnel training, and other capacity-building measures, and to this end, resolved to work towards concluding an agreement to combat transnational crimes. They also agreed to cooperate in the prevention, investigation and suppression of terrorism.

Recognizing the importance of optimizing the use of existing frameworks for cooperation in the fields of trade, investment, science and technology, agriculture, education and culture, tourism, civil aviation, and taxation, the Prime Minister of India and the President of the Philippines agreed to promote increased bilateral trade and investment flows by exploring all possible measures to effect increases in trade volumes and product choices; agreeing to provide a conducive market environment through identification and removal of trade, investment and similar impediments; encouraging a pro-active role for their respective business sectors; and undertaking aggressive marketing of their products and services through active participation in Indian and Philippine trade fairs, and through exchanges of trade and investment missions.

The two leaders agreed to utilize existing institutional arrangements such as the "India-Philippines Memorandum of Agreement on Cooperation in Agriculture and Related Fields" signed in 2006, to promote the exchange of agricultural materials and information/technology, the exchange of agricultural scientists, experts and trainees, the organization of symposia, and the encouragement of their enterprises, scientific research institutes and concerned business groups to take an active part in agricultural cooperation to bring about the common growth of the two economies.

Recognizing the importance of enhancing people-to-people links between the two countries it was agreed to utilize the "India-Philippines Agreement

on Cooperation in the Field of Tourism” signed in 2006, to further promote tourism activities, exchange of information and expertise in the development of traditional tourism products, crafts and industries, and joint marketing and promotion programs.

The Prime Minister of India and the President of the Philippines recognized the universality of human rights taking into account the distinct culture, tradition, and practices of the two countries. They agreed to encourage exchanges and cooperation on human rights on the basis of equality and mutual respect, with a view to enhancing mutual understanding. They resolved to continue to work together for the progress and protection of the cause of human rights.

Stressing the importance that both countries attached to the Dialogue Partnership between India and the ASEAN, the two leaders agreed to work together to deepen cooperation between the Association of Southeast Asian Nations (ASEAN) and India, recognizing that dynamic Philippines-India relations contribute to a robust ASEAN-India relations which in turn will significantly contribute to the peace, stability and prosperity of the region.

The two sides resolved that India and the Philippines would continue their coordination and cooperation at the East Asia Summit, ASEAN Regional Forum, the Non-Aligned Movement, the World Trade Organization, United Nations, and other multilateral fora. They would actively promote and protect the common interests of developing countries in regional and international fora, particularly in the areas of trade and finance, human resources development, and the promotion of the interests and welfare of migrant workers and their families, women and children, among others.

Done in New Delhi, on Fifth October 2007 in two versions, English and Hindi, both texts equally authentic. In case of divergence in interpretation, the English text shall prevail.

**ON BEHALF OF THE
GOVERNMENT OF THE
REPUBLIC OF INDIA**

**ON BEHALF OF THE
GOVERNMENT OF THE
REPUBLIC OF THE PHILIPPINES**

**PRANAB MUKHERJEE
Minister of External Affairs**

**ALBERTO G. ROMULO
Secretary of Foreign Affairs**



391. India – Philippines Joint Declaration for Cooperation to Combat International Terrorism.

New Delhi, October 5, 2007.

The Governments of the Republic of India and the Republic of the Philippines, hereinafter referred to collectively as “the participants”;

REAFFIRMING their commitment to counter, prevent and suppress all forms of terrorist acts in accordance with the Charter of the United Nations, international law and all the relevant United Nations resolutions, including the United Nations Global Counter Terrorism Strategy, and in particular United Nations Security Council Resolutions 1373, 1267 and 1390;

VIEWING acts of terrorism in all its forms and manifestations, committed wherever, whenever and by whomsoever, as a profound threat to international peace and security, which require concerted action to protect and defend all peoples and the peace and security of the world;

REAFFIRMING their commitment to protect human rights, ensure fair treatment, uphold the rule of law and due process while countering terrorism;

REAFFIRMING also that terrorism cannot and should not be associated with any religion, nationality, civilization or ethnic group;

RECOGNISING the principles of sovereign equality, territorial integrity and non-intervention in the domestic affairs of other States;

RECOGNISING the transnational nature of terrorist activities and the need to strengthen international cooperation at all levels in combating terrorism in a comprehensive manner;

DESIRING to enhance counter-terrorism cooperation between the relevant agencies of the participants’ governments;

Solemnly declare as follows:

Objectives:

1. The participants reaffirm the importance of having a framework for cooperation to prevent and combat international terrorism through the exchange and flow of information, intelligence and capacity-building.

2. The participants emphasize that the purpose of this cooperation is to enhance the efficacy of those efforts to combat terrorism.

Scope and Areas of Cooperation:

3. The participants stress their commitment to seek to implement the principles laid out in this Declaration, consistent with their national security policies, domestic laws and international law, in any or all of the following activities:
 - i. Continue and enhance information sharing between their relevant security and intelligence agencies, particularly on best practices in counter terrorism regimes that may include developments of more effective counter-terrorism mechanisms, policies and laws;
 - ii. Enhance information sharing and intelligence sharing and intelligence cooperation among their relevant intelligence and security organizations from operational level to strategic level geared towards combating international terrorism, particularly terrorist financing, and in the process, additional necessary measures shall be instituted to protect the shared classified information;
 - iii. Enhance liaison relationships amongst their law enforcement agencies to engender practical counter-terrorism regimes.
 - iv. Strengthen capacity-building efforts through training and education; consultations between officials, analysts and field operators; and seminars, conferences and joint operations as appropriate.
 - v. Provide, using best efforts, assistance on transportation, border and immigration control challenges, including document and identity fraud to stem effectively the flow of terrorist-related material, money and people.
 - vi. Prevent and suppress the financing of terrorist acts.
 - vii. Strengthen capability and readiness, including training and technical assistance, to deal with chemical, biological, radiological, nuclear terrorism (CBRN), cyber terrorism and any new form of terrorism.

- viii. Commit to continue working together in the fight against the cyber crime and terrorist misuse of cyber space, by enhancing confidence among the national Computer Security Incident Response Teams of the Philippines and India, including, when and where appropriate, providing hardware and software to prevent cyber attacks and terrorist misuse of cyber space.
- ix. Providing, where and when possible, technical assistance and capacity-building programs in developing laws, extending training (in forensics, law enforcement, legal and technical matters), and when and where appropriate, hardware and software to prevent cyber attacks and terrorist misuse of cyber space.
- x. Promote public awareness and participation in efforts to counter terrorism, as well as enhance inter-faith and intra-faith dialogue and dialogue among civilizations.
- xi. Assist in facilitating extradition and extending mutual legal assistance in cases involving terrorism related offences.
- xii. Cooperate in combating organized crimes which have linkages with terrorist acts.
- xiii Explore on a mutual basis additional areas of cooperation.

Participation:

- 4. Participants are called upon to become parties to all universal instruments on counter terrorism.
- 5. The participants are each called upon to designate an agency to coordinate with law enforcement agencies, authorities dealing with countering terrorism financing and other concerned government agencies, and to act as the central point of contact for the purposes of implementing this Declaration.

Disclosure of Information:

- 6. The participants expect that no participant would disclose or distribute any confidential information, documents or data received in connection with this Declaration to any third party, at any time, except

to the extent agreed in writing by the participant that provided the information.

Implementation:

7. All the participants are urged to promote and implement in good faith and effectively the provisions of the present Declaration in all its aspects.

Signed in New Delhi on the Fifth Day of October, 2007 in two versions, English and Hindi, both texts being equally authentic. In case of divergence in the interpretation, English text shall prevail.

**FOR THE GOVERNMENT OF
THE REPUBLIC OF INDIA**

**FOR THE GOVERNMENT OF
THE REPUBLIC OF
THE PHILIPPINES**

**PRANAB MUKHERJEE
Minister of External Affairs**

**ALBERTO G. ROMULO
Secretary of Foreign Affairs**



392. Agreement between the Government of the Republic of India and the Government of the Republic of Philippines on Exemption of Visa Requirement for Holders of Diplomatic and Official Passports.

New Delhi, October 5, 2007.

The Government of the Republic of India and the Government of the Republic of the Philippines

Hereafter referred to singularly as the “Contracting Party” and collectively as the “Contracting Parties”

CONSIDERING the interest of both countries to strengthen their friendly relations, and

DESIRING to facilitate the entry of the citizens of the Republic of India and the citizens of the Republic of Philippines, who are holders of diplomatic or official passports into their respective countries,

HAVE agreed as follows:

ARTICLE 1

Citizens of the Republic of India and the Republic of the Philippines, as well as their spouses, children and dependent parents, holding valid diplomatic and official passports, shall enter into, transit through or stay in the territory of the other country without visas.

ARTICLE 2

Citizens of either Contracting Parties shall be allowed to stay within the territory of the other Contracting Party for a period not exceeding thirty (30) days. This period of stay may be extended at their request subject to the consent of the competent authorities of the receiving Contracting Party.

ARTICLE 3

The Contracting Parties shall exchange, through diplomatic channels, their respective valid passport specimens within thirty (30) days after the entry into force of this Agreement. The Contracting Parties shall inform each other about the introduction of new types and classification of passports, as well as change or modification to those currently in use and shall furnish each other relevant specimens at least thirty (30) days prior to their use.

ARTICLE 4

Notwithstanding the exemption from obtaining entry visa under this Agreement, it is the duty of persons benefiting there from to comply with the laws and regulations of the receiving Contracting Party regarding entry into, stay in and exit from the receiving Contracting Party.

ARTICLE 5

Each Contracting Party reserves the right to refuse entry to persons regarded as *persona non-grata* or considered as undesirable and to terminate the stay of such persons on its territory after they have been permitted entry.

ARTICLE 6

Either Contracting Party may, for reasons of public order, security or health, temporarily suspend in whole or in part, the implementation of this Agreement. Such suspension and the lifting of the suspension shall be notified through diplomatic channels to the other Contracting Party at least fifteen (15) days prior to their taking effect.

ARTICLE 7

Citizens of either Contracting Party holding valid diplomatic or official passports who are appointed to work in a diplomatic mission or consular post in the receiving Contracting Party, including their spouses, children and dependent parents holding valid diplomatic or official passports, shall not be required to secure diplomatic or official visas to enter the territory of the other Contracting Party. Within thirty(SO) days upon arrival, they shall be issued multiple-entry diplomatic or official visas for the period of their official stay upon request from the diplomatic mission or consular post concerned subject to the consent of the competent authorities of the receiving Contracting Party.

ARTICLE 8

Any dispute between the Contracting Parties arising out of or relating to the interpretation or implementation of this Agreement shall be settled by consultations or negotiations.

ARTICLE 9

Any amendment or revision to the text of this Agreement shall be done by

mutual consent of the Contracting Parties. The amendment or revision shall enter into force in accordance with Article 10 of this Agreement.

ARTICLE 10

This agreement shall enter into force on the date of the receipt of the later written notification by the Contracting Parties, through diplomatic channels, indicating that the domestic requirements for its entry into force have been complied with.

IN WITNESS WHEREOF, the undersigned being duly authorised by their respective Governments, have signed the present Agreement.

DONE at New Delhi on this 5th day of October 2007 in two (2) originals; in Hindi and English languages, all texts being equally authentic. In the event of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF THE REPUBLIC OF INDIA **FOR THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES**

(Pranab Mukherjee) **(Alberto G. Roumulo)**
Minister of External Affairs **Secretary of Foreign Affairs**



393. Agreement between the Government of the Republic of India and the Government of the Republic of the Philippines on the Establishment of a Joint Commission on Bilateral Cooperation.

New Delhi, October 5, 2007.

The Government of the Republic of India and Government of the Republic of the Philippines hereinafter referred to as the "Contracting Parties",

Wishing to strengthen and develop cooperation in trade, economic, scientific, technological and other sectors on a long-term' basis and on the principles of equality and mutual benefit.

Have agreed as follows:

Article 1

The Contracting Parties hereby set up the India-Philippines Joint Commission on Bilateral Cooperation, hereinafter referred to as the "Commission".

Article 2

The tasks of the Commission are:

To consider questions arising in the course of the implementation of this Agreement between the Government of India and the Government of the Philippines , and all other agreements concluded between the two countries.

To study possibilities of the further development of trade, economic, scientific, technological and other fields of cooperation.

To prepare recommendations for the successful implementation of the above mentioned agreements and proposals on possible ways of enhancing cooperation in these spheres, for approval by the Contracting Parties as well as to settle other questions pertaining to trade, economic, scientific, technological and other fields of cooperation.

Article 3

The Commission shall comprise of an equal number of members nominated by each Contracting Party.

Minister of External Affairs from the Indian side and Secretary, Department of Foreign Affairs from the Philippines side would be Co-Chairmen of the Commission.

Article 4

Each Contracting Party shall appoint an Executive Secretary.

The Indian and the Philippines Executive Secretaries of the Commission shall be responsible for organizing the activity of the respective side, coordination of the work of its executive bodies, preparation of documents for the Commission meetings, as well as for other organizational questions with respect to the activities of the Commission. For these purposes the Executive Secretaries shall be constantly in contact with each other.

Article 5

The Commission shall convene meetings at least once every two years in mutually agreed dates.

Meetings of the Commission shall be conducted alternately in India and the Philippines and shall be chaired by the Chairman of the host country.

The Commission shall conduct its meetings as per the approved working schedule and on agreement between the Chairmen.

Meetings of the Commission may be attended by the necessary numbers of advisers and experts on each side.

Article 6

The schedule of regular meetings and the preliminary agenda shall be settled by the Chairmen through consultations at least thirty days before the meeting date.

The meeting shall consider predetermined agenda items as well as the items that, subject to the Chairmen's consent, may be included in the agenda at the beginning of the meeting.

Article 7

On request of one of the Chairmen, special meetings of the Commission may be convened.

At the initiative of a Contracting Party, additional meetings between the

Chairmen or their deputies may be arranged.

Article 8

At the Commission meetings decisions shall be made by consensus.

In urgent matters the Chairmen shall have the right, with mutual consent, to take decisions in the period between meetings of the Commission. The decisions of the Chairmen shall be included in the protocol of the next meeting of the Commission.

Decisions of the Commission shall come into force on the date of their signing, if not provided otherwise.

Those decisions that, according to the Statement of one of the Chairmen, have to be approved by the authorised bodies its respective country, shall come into force on the date of notification by the corresponding Chairman about their approval.

Article 9

Results and decisions of the Commission meetings shall be reflected in the protocol which shall be signed by the Chairmen.

Protocol of the Commission meetings shall be done in Hindi and English, both the texts being equally authentic.

Article 10

In order to fulfill its tasks, the Commission may set up permanent and provisional bodies *that is* Sub-Commission or Working Groups.

The Commission shall determine the tasks, scope of reference and composition of permanent and provisional bodies which shall carry out their work as per the plan and decisions approved by the Commission.

Article 11

Expenses for organizing the Commission meetings and work of its permanent and provisional bodies shall be borne by the country hosting a meeting.

Travel and living expenses, including hotel accommodation of the Commission meeting participants and members of its permanent and provisional bodies, shall be borne by the country deputing its representatives to these meetings.

Article 12

This agreement may be amended with the mutual consent in writing of the Contracting Parties.

Article 13

This Agreement shall enter into force on the date of the later notification by the Parties in writing, through diplomatic channels, indicating compliance with their domestic requirements for entry into force.

This Agreement shall be valid for a period of five (5) years and may be automatically extended for similar period(s), unless either Contracting Party gives a written notice to the Other Party six months in advance of the date of expiry of the respective period of validity of the Agreement stating its intention to terminate it.

Done at New Delhi on this Fifth day of October 2007, in two originals each in the Hindi and English languages, both texts being equally authentic. In case of divergence, the English text shall prevail.

**On behalf of the Government
of the Republic of India**

**On behalf of the Government of
the Republic of the Philippines**

**PRANAB MUKHERJEE
Minister of External Affairs**

**ALBERTO G. ROMULO
Secretary of Foreign Affairs**



SINGAPORE

394. Briefing Points by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Singapore.

New Delhi, June 19, 2007.

- Minister of External Affairs, Shri Pranab Mukherjee arrived in Singapore on a bilateral visit on the evening of June 18, 2007. The official programme of the visit commenced on June 19, 2007 with a visit to the site of the INA Memorial in Singapore.
- The Minister of External Affairs then released the 12th volume of Netaji's collected works at a function organized at the Raffles Hotel. The period covered by this volume is 1943-1945 when Netaji was in Singapore. The series has been edited by Professor Sugata Bose of Harvard University.
- The book release function was followed by a meeting with Mr. George Yeo, the Foreign Minister of Singapore. During the bilateral talks, a wide range of issues covering bilateral, regional and international issues of mutual interest were discussed. EAM emphasized the importance of institutional arrangements to strengthen the relationship. Expanding bilateral trade after CECA was also discussed. The two Ministers also discussed India-Singapore relations in the context of greater integration between India and the ASEAN. At the end of the talks, Foreign Minister George Yeo hosted a luncheon in honour of Minister of External Affairs, Shri Pranab Mukherjee at which regional issues covering South Asia as well as Southeast Asia were discussed.
- The two Foreign ministers signed an Agreement to establish a Joint Ministerial Committee which would be co-chaired by them. The Committee will chart out a roadmap of bilateral relations and provide a framework for monitoring and implementing commitments by the two sides. This mechanism will address the requirements of the new levels of cooperation, which the Ministers are confident the relationship will attain.
- The Ministers also agreed upon the establishment of the India-Singapore Strategic Dialogue - a Track II initiative which will provide an opportunity for senior figures with policy making experience to

discuss bilateral and international issues of common concern. The Dialogue would be co-chaired by Ambassadors S. K Lambah and Tommy Koh.

- The Minister of External Affairs, Shri Pranab Mukherjee also conveyed to Foreign Minister George Yeo the decision of the Government of India to establish a Nalanda Mentor Group which would examine the framework of international cooperation and the structure of partnership of the proposed International University at Nalanda. He expressed India's appreciation that Mr. Yeo had consented to join the Group. The Nalanda University will be developed as a Centre for Buddhist and Secular Learning with active participation of interested countries within the East Asia Summit. The University is to be established under an Inter-Governmental Agreement to be signed by interested member states of the East Asia Summit. The mentor group is expected to have four meetings before the East Asia Summit. The two Ministers also agreed to set up a group which would explore the heritage of Netaji Subhash Chandra Bose in the India-Singapore context.
- On the afternoon of June 19, 2007, the Minister of External Affairs, Shri Pranab Mukherjee called on President S. R. Nathan and Senior Minister Goh Chok Tong. The discussions covered bilateral relations including close political and cultural contacts as well as expanding economic relations. Defence and security relations were also discussed. EAM also briefed the Singapore leadership on regional issues of mutual interest. The day's programme concluded with a dinner hosted by the High Commissioner of India in Singapore in honour of Shri Pranab Mukherjee.



395. Remarks by External Affairs Minister Pranab Mukherjee at press conference after talks with Foreign Minister of Singapore, George Yeo.

Singapore, June 19, 2007.

Today morning Singapore Foreign Minister George Yeo and I had extensive discussions on our bilateral relations and regional and international issues of mutual interest.

India's relations with Singapore have evolved into a strong partnership. The intensity of the relationship is reflected by the frequency of high level visits and exchanges. Singapore was one of the earliest of our partners in the ASEAN to realize the implications of the economic reforms India began a decade and half ago. Our partnership has greatly encouraged India's stronger participation in Southeast Asian and East Asian structures since then. At the bilateral level, a Comprehensive Economic Cooperation Agreement was concluded in 2005 which has had a significant positive impact on our trade and investment relations. Today Singapore is our largest trading partner in the ASEAN with a bilateral trade volume of US\$13 billion in 2006.

Both our countries have similar views and perspectives on the threat from terrorism. Our defense cooperation has been proceeding well and all three services of the armed forces of the two countries are exercising together regularly.

We are also deeply appreciative of the efforts made by Foreign Minister George Yeo personally towards the conceptualization of the project for creating an International University at Nalanda. We envisage Nalanda as a Centre for Excellence for Research on Buddhist Religion and Culture. We are in the process of establishing the Nalanda Mentor Group which will make proposals for the revival of Nalanda, the governance structure of the University and the modalities for its funding. Foreign Minister George Yeo has kindly agreed to be a member of the Mentor Group and devote his precious time to guiding the project. Separately, we are working on a framework including a legislation for international cooperation on the project.

It is a matter of satisfaction that during my current visit to Singapore, new initiatives have been announced that will add a further impetus to the development of our bilateral ties. These include the establishment of a Joint Ministerial Committee led by the Foreign Ministers to monitor the

progress of our bilateral relations. The Joint Ministerial Committee will be Co-Chaired by the Foreign Ministers of the two countries. The establishment of the Joint Ministerial Committee is symbolic of the maturity, depth and range of our rapidly developing bilateral ties.

We have also agreed to establish a Track II Strategic Dialogue which will provide an opportunity for senior figures with policy making experience to discuss bilateral and international issues of mutual interest to both countries.

From the discussions held today, it is clear that the potential for bilateral cooperation between India and Singapore is immense. I am confident that our meeting will mark another significant step forward in realizing this potential for the mutual benefit of our two countries.¹



1. Replying to questions from the floor, EAM said the "formative and informal" engagement among four democracies - India, the United States, Japan and Australia - "is not targeted against any country." Answering a question on China taking a dim view of this unnamed forum he said, "It is [also] premature" to talk about taking on board any other Asia-Pacific country to address such sensitivities or for any other reason. Without endorsing the label of "a concert of democracies" for the new grouping, he said, "It is yet to evolve. On the India-U.S. civil nuclear energy deal, he said, "We are trying to conclude the discussions as early as possible." About the residual stumbling blocks, he said, "When discussion takes place, you cannot just go on making comments on this clause, that clause." India's new strategic dialogue with Singapore would take place "not in the glare of publicity" but as a focussed Track-II exercise. The new Joint Ministerial Committee was a consultative mechanism headed by the Foreign Ministers, and would meet every year. The panel "is symbolic of the maturity, depth, and range of our rapidly developing bilateral ties," Mr. Mukherjee said at a joint press conference with Singapore Foreign Minister George Yeo. Answering a question whether this new diplomatic flurry signified a strategic partnership in the making, Mr. Yeo said: "We see India playing a growing role in the maintenance of peace [and] in creating conditions for development in all of Asia in this century. Singapore and India are bound by ties of history, of culture, of blood; and we see all these things becoming much more important again, as we look into the future. So, whether or not we call it a strategic partnership, it certainly is." Two historical issues figured prominently, with Mr. Mukherjee releasing the 12th volume of Netaji Subhas Chandra Bose's Collected Works and with Mr. Yeo announcing that Singapore would hold an exhibition on the Nalanda heritage in November to coincide with the prospective East Asia Summit. Mr. Yeo said he discussed with Mr. Mukherjee the formation of a group to study, in a contemporary context, the heritage of Bose and the Indian National Army in Singapore.

396. Agreement between the Government of the Republic of India and the Government of the Republic of Singapore on the Establishment of the Joint Ministerial Committee for Bilateral Cooperation.

Singapore, June 19, 2007.

The Government of the Republic of India and the Government of the Republic of Singapore (hereinafter referred to as the “**Contracting Parties**”)

Wishing to strengthen and develop their friendly and good-neighbourly relations on a long-term basis and on the principles of equality and mutual benefit

Have agreed as follows:

Article 1

The Contracting Parties hereby set up the India-Singapore Joint Ministerial Committee on Bilateral Cooperation (hereinafter referred to as the “Committee”).

Article 2

The tasks of the Committee are:

- (a) to consider questions arising in the course of implementation of this Agreement and future India-Singapore agreements and to set the broad framework and direction for the future development of India-Singapore cooperation; and
- (b) to prepare recommendations for successful implementation of the above mentioned agreements and proposals on possible ways of enhancing cooperation in these spheres, for approval by the Contracting Parties as well as to settle other questions pertaining to India-Singapore cooperation.

Article 3

- (1) The Committee shall comprise of members consisting of leaders and representatives of relevant ministries, agencies or other committees nominated by each Contracting Party.

- (2) The Committee shall be co-chaired by the Minister of External Affairs of the Republic of India and the Minister for Foreign Affairs of the Republic of Singapore. The members of the Committee shall be appointed by the corresponding Contracting Party.

Article 4

Members of the Committee shall be responsible for organising the activities of the respective side, coordination of the work of the Committee, preparation of documents for the meetings of the Committee, as well as for other organisational issues with respect to the activities of the Committee. For these purposes the relevant members of the Committee shall be constantly in contact with each other.

Article 5

- (1) The Committee shall convene meetings at least once a year.
- (2) Meetings of the Committee shall be conducted alternately in India and Singapore and shall be chaired by the Chairman of the host country.
- (3) The Committee shall conduct its meetings on agreement between the Chairmen.
- (4) Meetings of the Committee may be attended by advisers and experts from each side.

Article 6

- (1) The meetings and the preliminary agenda shall be settled by the Chairmen through consultations before the meeting date.
- (2) The meeting shall consider predetermined agenda items as well as the items that, subject to the Chairmen's consent, may be included in the agenda at the beginning of the meeting.

Article 7

- (1) On request of one of the Chairmen, special meetings of the Committee may be convened.
- (2) At the initiative of a Contracting Party, additional meetings between the Chairmen or their deputies may be arranged.

Article 8

- (1) At the meetings of the Committee, decisions shall be made by consensus.
- (2) In urgent matters the Chairmen shall have the right, with mutual consent, to take decisions in the period between meetings of the Committee. The decisions of the Chairmen shall be included in the Minutes of the next meeting of the Committee.
- (3) Decisions of the Committee shall come into force on the date of signing, if not provided otherwise.
- (4) Those decisions that, according to the Statement of one of the Chairmen, have to be approved by the authorised bodies of its respective country, shall come into force on the date of notification by the corresponding Chairman of their approval.

Article 9

- (1) Results and decisions of the meetings of the Committee shall be reflected in the Minutes which shall be signed by the Chairmen.
- (2) Minutes of the meetings of the Committee shall be done in Hindi and English, both the texts being equally authentic. In case of divergence, the English text shall prevail.

Article 10

- (1) In order to fulfil its tasks, the Committee may set up permanent and provisional bodies including a Sub-Committee or Working Groups.
- (2) The Committee shall determine the tasks, scope of reference and composition of permanent and provisional bodies which shall carry out their work in accordance with the plan and decisions approved by the Committee.

Article 11

- (1) Expenses for organising a meeting of the Committee and work of its permanent and provisional bodies shall be borne by the country hosting the meeting of the Committee.
- (2) Travel and living expenses, including hotel accommodation of the Committee meeting participants and members of its permanent and

provisional bodies, shall be borne by the country deputing its representatives to these meetings.

Article 12

This Agreement may be amended with the mutual consent in writing of the Contracting Parties.

Article 13

- (1) This Agreement shall come into force on the date of its signing and shall be valid for a period of five years.
- (2) The validity period of this Agreement shall be automatically extended for subsequent five year periods, unless either Contracting Party gives a written notice to the other Party six months in advance of the date of expiry of the respective period of validity of the Agreement stating its intention to terminate it.

IN WITNESS WHEREOF the undersigned have signed this Agreement.

Done at Singapore on this Nineteenth day of June, 2007 in two originals each in the Hindi and English languages, both texts being equally authentic. In case of divergence, the English text shall prevail.

**On behalf of the Government of
The Republic of India**

**(Pranab Mukherjee)
Minister of External Affairs**

**On behalf of the Government of the
Republic of Singapore**

**George Yong-Boon Yeo)
Minister of Foreign Affairs.**



397. Briefing points by Official Spokesperson on External Affairs Minister Pranab Mukherjee's engagements in Singapore on the 20th June, 2007.

New Delhi, June 20, 2007.

The Minister of External Affairs, Mr. Pranab Mukherjee, held a number of important meetings and participated in two public functions on the second day of his Singapore visit.

2. The Minister called on Prime Minister Lee Hsien Loong and Minister Mentor Lee Kuan Yew in Istana. Earlier, Mr. Mukherjee met Deputy Prime Minister Prof. S. Jayakumar and with Defence Minister Teo Chee Hean. Discussions covered bilateral relations, particularly increasing trade after the CECA, India's increasing engagement with ASEAN, cooperation in the fields of national security and defence etc, evolution of ASEAN and SAARC. Regional issues including developments in South Asia were also discussed.
3. The Singapore Trade & Industry Minister, Mr. Lim Hng Kiang, joined the External Affairs Minister at the launch of the India Business Forum, an association of leading Indian companies represented in Singapore. The launch was attended by senior Singaporean and Indian corporate figures and business representatives. The establishment of an India-Singapore CEO's Forum to advise the two Governments and identify priority areas for cooperation was also announced on this occasion.
4. The Minister was invited by the Rajaratnam School of International Studies and the Institute of South Asian Studies jointly to deliver a speech on "India's Foreign Policy Priorities" in their Distinguished Public Lecture series. Introduced by his counterpart, Foreign Minister George Yeo, Mr. Mukherjee spoke on this subject and responded to questions from the audience.



398. Remarks by External Affairs Minister Pranab Mukherjee at the launch of the India Business Forum.**Singapore, June 20, 2007.**

I am delighted to join you all at the launch of the India Business Forum in Singapore today. Bringing together the leading Indian companies operating in Singapore, this is a laudable initiative that reflects the emergence of an entrepreneurial India. It is a matter of great satisfaction to find the broad diversity of India's major brand names included in the Forum membership. I am confident that once the Forum begins its activities, this will further expand in the years to come. I would like to specifically express my personal appreciation to H.E. Mr. Lim Hng Kiang, the Minister of Trade & Industry of Singapore, for having joined us on the occasion of this launch. This underlines the expectations that we, as Governments, have from industry.

The entrepreneurial India that I have referred to has been in the making since Independence. In the initial decades, our focus was on building capabilities and institutions that would allow us to engage the world on more equal terms. Even as we achieved a considerable measure of success in that regard, we found that the relatively limited nature of our external interactions diminished our competitiveness. In the last decade and a half, we have embarked on policies of reform and modernization that have unleashed latent energies in our society. Despite change of Governments, our national policies have remained essentially consistent during this period. This is because the benefits of reform have manifested themselves continuously in terms of higher growth rates, greater availability of goods and services, reduction of both urban and rural poverty levels and improvement in our quality of life. Where reform itself is concerned, that India will stay the course is no longer in doubt. The debate today largely centres around the optimal implementation of reform policies and the nature of challenges that continue to confront us.

Challenges we seek to address currently fall into four broad categories. First and foremost, we have to ensure a rapid expansion of employment opportunities. Reform has led to higher expectations and greater awareness, particularly among our youth. No Government can afford to disappoint them. Indeed, it will be our success in expanding employment that will determine whether our demographic structure is to India's advantage. To do that, growth in manufacturing will not only have to be sustained but spread more evenly throughout India. You would have noted that our Government has

unveiled initiatives that encourage this very objective, including the establishment of Special Economic Zones.

A second set of challenges is in the field of agriculture. For the benefit of our farmers, we must expand our food processing industry and encourage more widespread applications of technologies. Thirdly, both urban and rural India are equally constrained by the state of our infrastructure. Consequently, this has emerged as a focus area for greater domestic and foreign investment. We have evolved effective public-private partnership models and the results are beginning to show in modernization of road, rail, airport and ports, as well as power generation. The fourth set of challenges is in human development, where our indices would only improve with more commitment of resources and effective delivery. The growth stories of Southeast Asia and East Asia clearly bring out the centrality of human resource development. In the final analysis, reform in a democratic society like India will be judged by the quantum of population that perceives benefits flowing from it. It is, therefore, imperative that public policies are compassionate and growth inclusive.

Singapore occupies a special position in the thinking of an India undergoing change. It was among the earliest countries to recognize the significance of our reform efforts. Singapore has been a strong partner and an enthusiastic advocate of India. Its political and corporate leadership have engaged us across a very broad spectrum of issues. Singaporean companies have established themselves in various sectors in India, creating win-win situations in the process. Quite appropriately, it was the first country with which we concluded a Comprehensive Economic Cooperation Agreement. The CECA, as all of you are well aware, is a framework that deals with the totality of our cooperation - from tariff levels and investment protection to taxation, standards, qualifications, services and movement of people. The results of CECA are already beginning to make themselves felt. It has substantially expanded our trade and appears to encourage greater investment flows. Last year, Singapore was among our top five trade and investment partners.

The launch of the IBF provides an opportunity to reflect on the outward nature of our engagement with Singapore, one that does not always get the attention it deserves. I believe that there are today more than 2500 Indian companies in Singapore, making them the fourth largest foreign presence in this country. Many of them have set up regional or Asian headquarters here, while others have seen the advantages of establishing

a front office for their global business. They compete successfully with the most established global players in their particular field. Their presence spans a wide spectrum from services to manufacturing, and from hi-tech to the basics of business. Indian brands and goods are increasingly finding prime shelf-space in Singapore markets. Indian banks are expanding their operations and Indian educational institutions are establishing themselves. Our air traffic and tourism figures have shown very sharp growth in recent years. The number of Indian expatriates in Singapore has also registered a significant increase.

The India Business Forum is a commendable step in bringing together Indian companies in Singapore. As these companies compete in a challenging market, they inevitably face issues that need to be addressed collectively. Perhaps in time, these issues would extend beyond Singapore to other ASEAN countries as well. An effective Forum would be a very welcome and timely initiative, coming as it does when the two Governments are working actively to raise the bilateral relationship to new heights. It can make a critical contribution to the appreciation of 'Brand India' in Singapore.

It is also appropriate that we have today announced formally the establishment of the India-Singapore CEOs Forum. Its membership includes the most respected corporate personalities from the two countries. They can provide ideas and suggestions from the industry perspective to take our relationship forward in the post-CECA phase. We look forward to their recommendations.

May I conclude by thanking the Confederation of Indian Industry for their efforts in launching the India Business Forum, supporting along with the Singapore Business Federation the CEOs Forum, and for organizing this event which has brought us altogether.



399. Press Release of the Ministry of Defence on the signing of an Agreement between India and Singapore for Joint Air Exercises and Training.

New Delhi, October 9, 2007.

India and Singapore signed an agreement today on a long-term arrangement for conducting joint training and exercises between the Indian Air Force and the Republic of Singapore Air Force. The agreement was signed by the Defence Secretary Mr. Vijay Singh and Singapore's Permanent Secretary of Defence, Mr. Chiang Chie Foo as the two-day 4th India-Singapore Defence Policy Dialogue began here today.

During the dialogue, both sides gave an update on India-Singapore defence relations and expressed the need to further intensify cooperation. Sub-groups reported progress made in respective fields including research & development. The regional security aspects, both from Indian and Singaporean perspectives, were discussed¹.



1. The daily *Hindu* on October 10 described it a unique pact "that will allow the island nation to use Indian military facilities on payment basis for five years." The agreement is a long-term arrangement for conducting joint training and exercises between the Indian Air Force (IAF) and the Republic of Singapore Air Force (RSAF) and was signed after the two-day India-Singapore defence policy dialogue. The *Hindu* report said "During the dialogue, both sides gave an update on defence relations and expressed the need to intensify cooperation. Sub-groups reported progress made in respective fields including research and development. The regional security aspects, both from Indian and Singaporean perspectives, were discussed. For the two air forces, the Kalaikunda base will be the hub of operations. This IAF base in West Bengal was developed recently to serve as the second staging post after Gwalior for conducting exercises with foreign air forces. Equipped with modern facilities, the base is located in a congestion-free air environment that allows exercises to be held at the convenience of the air forces. By inking the pact with Singapore, IAF will be able to take a close look at the ultra modern RSAF as well as its F-16 fighters that are also used by Pakistan." For Singapore, which is strapped for space, this is not a unique arrangement. It already has similar pacts with the United States, Australia, Taiwan and New Zealand. RSAF has practised in India twice earlier while IAF fighters have gone over to Singapore once. On October 10 after the end of the two-day talks it was officially announced by the Defence Ministry in New Delhi that "Indian and Singapore armies will hold joint artillery exercises at Deolali, near Nasik in Maharashtra, later this month. The Singapore Army will be represented by an over 100-member contingent."

THAILAND

400. Joint Press Statement on the visit of Thai Prime Minister General Surayud Chulanont (Ret.).

New Delhi, June 26, 2007.

1. His Excellency General Surayud Chulanont (Ret.), the Prime Minister of Thailand paid a State Visit to India from 25-27 June, 2007. The Prime Minister of Thailand was accompanied by the Minister of Foreign Affairs, the Minister of Commerce and the Minister of Energy during his visit to India.
2. During the visit, he held bilateral talks with Prime Minister Dr. Manmohan Singh, the Prime Minister of the Republic of India, on 26 June, 2007 who hosted a banquet in honour of the visiting dignitary on the same day. The Minister of External Affairs, the Minister of Commerce and Industry and the Minister of State for New and Renewable Energy called on the Prime Minister of Thailand on June 26, 2007. The Leader of the Opposition, Lok Sabha will call on the Prime Minister of Thailand on June 27, 2007. The Prime Minister of Thailand also addressed a Business Summit hosted by the CII, FICCI and the ASSOCHAM on 26 June, 2007.
3. On 26 June, 2007, the Prime Minister of the Kingdom of Thailand called on the President of the Republic of India.
4. On 27 June, 2007 the Prime Minister of Thailand will visit Varanasi and Sarnath.
5. During the visit of the Prime Minister of the Kingdom of Thailand two important Agreements were signed in the presence of the two Prime Ministers, namely the Memorandum of Understanding on Enhanced Cooperation in the Field of Renewable Energy and the Cultural Exchange Programme.
6. During their discussions, the two Prime Ministers, expressed satisfaction at the progress achieved in bilateral relations. They acknowledged that relations between the two countries which were based on age old historical, civilizational and cultural links had evolved beyond traditional areas of culture and commercial interaction to cooperation in all key areas, namely security, defence, civil aviation,

science and technology, greater people to people interaction and a movement towards free trade. They emphasized the importance of utilizing and expanding the existing bilateral institutional frameworks to diversify and deepen the relationship between the two countries.

7. The two Prime Ministers expressed satisfaction that the bilateral trade volume between the two countries had crossed the US \$ 3 billion mark with the implementation of the Early Harvest Scheme of the India-Thailand FTA. They expressed confidence that negotiations on the Free Trade Agreement would conclude at the earliest during the current year. They were also convinced that the target of USD 4 billion bilateral trade volume by the end of 2007 was achievable.
8. Both Prime Ministers expressed satisfaction with the growing cooperation between the two countries in the area of defence and security. In this context, they acknowledged with appreciation the good work that was being done by the Joint Working Group on Security Cooperation. They also encouraged the concerned authorities to expedite negotiations of pending defence and security related Agreements and Memorandums of Understanding with a view to achieving their early conclusion and implementation. Recognizing that terrorism constitutes one of the most serious threats to international peace and security, the two leaders condemned terrorism in all its forms and manifestations as criminal and unjustifiable, irrespective of the motives. They resolved to strengthen bilateral cooperation to combat terrorism and to coordinate measures in a comprehensive and sustained manner.
9. The two Prime Ministers also discussed other promising areas of enhanced cooperation. In this context, they agreed to intensify efforts to further strengthen civil aviation cooperation. They encouraged concerned authorities and the private sector to look into possible methods of fisheries cooperation in accordance with domestic rules and regulations.
10. The two Prime Ministers agreed that relations between the two countries are poised and ready for a new level enhanced partnership. Thailand's 'Look West' policy and India's 'Look East' policy had become a perfect complement to one another and the relations between the two countries had grown both bilaterally and in the context of enhanced interaction with and within regional frameworks such as the ASEAN, ARF, BIMSTEC, MGC, ACD and the East Asia Summit.

11. The Indian Prime Minister expressed appreciation for the efforts made by the Royal Thai Government in response to the invitation of the Government of India to seek to develop closer economic and societal ties with the Northeastern States of India. In this context, the visit of the Minister of Commerce of Thailand to New Delhi to participate in the 3rd Northeast Business Summit and his visit to the Northeastern states of India from June 21-24, 2007 was referred to in the discussions between the two Prime Ministers.
12. The Prime Minister of India announced a contribution of Baht 10 million towards the construction budget of the new building of the Sanskrit Studies Centre in the Silpakorn University in Bangkok. The Sanskrit Studies Centre of the University has made significant contributions to the study of Sanskrit, Indian culture and historical and cultural links between India and Thailand. In this regard, the Prime Minister of Thailand noted with appreciation the aforementioned contribution from the Government of India which is a testament to the significant and valuable historical and cultural ties between the two countries.
13. The State Visit of the Prime Minister of Thailand took place during the 60th anniversary of the establishment of diplomatic relations between India and Thailand and was symbolic of the importance that both countries attached to their close and cordial relations with each other. The two countries will be organizing a series of events as part of the celebrations to mark the 60th anniversary year.
14. The Prime Minister of Thailand expressed his appreciation to the Prime Minister of India for the warm welcome and gracious hospitality extended to him and members of his delegation and for all the excellent arrangements made for this State Visit.



401. Briefing Points by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Thailand.

Bangkok, September 14, 2007.

- External Affairs Minister Shri Pranab Mukherjee began his visit to Bangkok this morning with a keynote address at the Institute for Security and International Studies at Chulalongkorn University.
- EAM had a half hour restricted meeting with Foreign Minister Nitya Pibulsonggram. Discussions reviewed gamut of bilateral relations. Stressed satisfaction with trade increase to expected US \$ 4 billion this year and target of US \$ 7 billion by 2010. Also covered FTA negotiations and desire to expedite them for early conclusion. Security cooperation, cooperation in knowledge industries as well as cooperation in ASEAN and Bimstec was also discussed. They also discussed events related to 60th anniversary of diplomatic relations between two countries.
- Both Foreign Ministers co-chaired the 5th Joint Commission Meeting and signed the agreed minutes. JCM minutes cover cooperation in trade¹ and investment, civil aviation, transportation linkages,

1. It may be recalled that the Thai Deputy Prime Minister and Minister of Industry had visited India end of August and met the Commerce Minister. The Ministry of Commerce and Industry's press release (31 August) issued on the occasion gave details of the growing trade relations between the two countries. The text of the Press Release reads: "Shri Kamal Nath, Union Minister of Commerce and Industry, has expressed hope that the bilateral trade between India and Thailand would take a growth trajectory that would take trade relations between the two countries to a new height. He hoped that the FTA negotiations that are underway covering trade in goods, services and investments, including issues such as Rules of Origin, trade facilitation, Anti-dumping and safeguard measures, Dispute Settlement Mechanism would benefit the two countries. He stated this while welcoming Mr Kosit Panpiemras, Deputy Prime Minister and Minister of Industry of Thailand during the Indo-Thailand bilateral talks. Senior Officials from both the countries were also present during the talks. The Trade between India and Thailand has grown significantly during 1992 to 1997 from a level of US\$ 399.8 million in 1992 to US\$ 896.4 million in 1997. Bilateral trade crossed the US\$ 1 billion mark during the year 2000 (US\$ 1,122.6 million), a significant increase of 40.2% compared to 1999 (US\$ 800.2). The Bilateral trade has shown an impressive growth rate in the last few years. Bilateral trade volume increased by 29% over previous year, to touch US\$ 2,286 million in 2005-06 (exports US\$ 1,075 million; imports US\$ 1,211 million) and had touched US\$ 1,509 million by September 2006. India's exports to Thailand were US\$ 1075 million in 2005-06, an increase of 19% over the previous year. In 2006-07 (April-Sept), India's exports to Thailand were US\$ 697 million. India's imports from Thailand were US\$ 1,211 million in 2005-06, a growth of about 40% over the previous year. The figure for 2006-07 (April-Sept) was US\$ 812 million. India's major exports to Thailand are Gem stones, mainly diamonds and emeralds; other metal ores, metal waste scrap and products; chemicals;

agricultural coop, tourism, defence, security, S&T, energy, culture, education, legal and consular matters.

- Both Foreign Ministers addressed the press. FM hosted lunch in EAM's honour.
- EAM called on Prime Minister General Surayud Chulanont. PM expressed satisfaction with his visit to India earlier this year. EAM briefed the PM on the bilateral discussions - joint commission meeting, trade and investment, security and defence, road connectivity to north east through Myanmar, cooperation in BIMSTEC and ASEAN. Discussions also covered cooperation during disasters and other emergencies.
- EAM will also have an audience with HM King Bhumibol Adulyadej and also call on HRH Princess Maha Chakri Sirindhorn later today. The Princess will also host a dinner in his honour. He would also inaugurate the Indian Contemporary Art exhibition this evening.



iron, steel and products; vegetables and vegetable products; machinery and parts; medicinal and pharmaceutical products; yarn and fibres; vehicle parts and accessories; fresh aquatic animals, chilled, frozen and instant; fertilizer and pesticides; animal and animal products; plastic products; metal manufacturers. The Major imports of India from Thailand are Polymers of ethylene, propylene etc. in primary forms; radiobroadcast receivers, television receiver and parts thereof; iron and steel and their products; motor cars, parts and accessories; machinery and parts thereof; automatic data processing machines and parts thereof; chemical products; air-conditioning machine and parts thereof; aluminium products; plastic products."

402. Remarks by External Affairs Minister Pranab Mukherjee on the occasion of inauguration of Art Exhibition "Images of India" in Bangkok.

Bangkok, September 14, 2007.

Excellencies,

Ladies and Gentlemen,

It is indeed a pleasure for me to inaugurate this exhibition of Contemporary Indian Art.

It is fitting and appropriate that this exhibition, "Images of India", has been organised on the occasion of the 60th anniversary of the establishment of diplomatic relations between India and Thailand. Both our countries have organized a series of events to celebrate this important anniversary and, not long ago, in the month of August, 2007, we in India had the honour of receiving Her Royal Highness Princess Maha Chakri Sirindhorn to inaugurate a Thai Ramayana performance and an exhibition of photographs taken by Her Royal Highness during her previous visits to India.

Apart from being the anniversary year, 2007 holds a special significance for people in both countries. It is the 80th birth anniversary of His Majesty The King of Thailand. It is also the 60th anniversary of India's independence and the 150th anniversary of India's first war of independence which took place in 1857.

For over a thousand years, the people of India and Thailand have enjoyed a special cultural relationship, sharing common bonds of spirituality through Buddhism. Today, we wish to build upon these historical links in a contemporary context and this exhibition will provide a unique opportunity to the people of Thailand to see India through the eyes of Indian artists.

I myself see art as an expression of the mind. Art has the unique capacity to elevate human beings and raise their consciousness to noble heights. Without art, our life would be soulless and devoid of beauty. Art is not merely an aesthetic experience, nor just the product of skill and ingenuity. It has a deeper purpose. Through art we can explore and understand our own human nature.

The spirit of art is found everywhere in India. It can be seen in many objects of daily use, such as the earthenware used by common folk, on the walls of

huts in villages, and on floors and entrances of homes. It was this love for colour and decoration that led to paintings of allegorical stories from the epics on the walls of temples, monasteries and places of learning.

I was happy to learn that there is an old and active collaboration between the Vishwa Bharati University, Shantiniketan in India and the Arts Centre of the prestigious Silpakorn University of Thailand. I understand that this collaboration resulted in the "Thai India Art Exhibition", which was inaugurated in Bangkok on February 2, 2007 and in which many talented artists from both countries participated and shared their experiences. I am also happy to learn that, in Bangkok, two private galleries exclusively showcasing Indian art have opened recently. Such private initiatives, as well as specially curated exhibitions like the "Images of India", will go a long way to popularising Indian contemporary art in Thailand.

I would like to thank the Curator of the exhibition, Mrs. Vijayalakshmi Hashim, for her efforts in putting together this important exhibition. I wish her all success in her future projects. I would also like to extend my appreciation and good wishes to the Indian artists whose works are on display in the exhibition. I hope that endeavours like this exhibition will further strengthen the bonds of love and friendship between the people of India and Thailand in the most natural and time tested way.

Thank you.



403. Press Statement by External Affairs Ministers at Joint Press Interaction after the conclusion of the India-Thailand Joint Commission meeting.

Bangkok, September 14, 2007.

Distinguished Members of the Media, Ladies and Gentlemen,

Good Afternoon,

Let me begin by thanking the Government of Thailand and especially his Excellency Foreign Minister Nitya Pibulsonggram for the very warm welcome extended to me and members of my delegation since our arrival in Bangkok. I am truly delighted to be here in Bangkok, not least because, on four separate occasions during the course of the last nine months, I have transited through Bangkok, but have been unable to make it much further beyond the airport. The scheduling of the Joint Commission, therefore, could not have been done any sooner and I am deeply satisfied with what we have achieved this morning. India attaches great importance to her relations with Thailand. It is a matter of satisfaction that in recent years these relations have deepened and diversified and the potential for bilateral cooperation between our two countries is immense.

The current year also marks the 60th anniversary of the establishment of diplomatic relations between India and Thailand. The successful visits of HRH Princess Maha Chakri Sirindhom to New Delhi in August 2007 and of Prime Minister General Surayud Chulanont in June 2007 were the highlights of the celebrations of this important anniversary.

This morning, Foreign Minister Nitya Pibulsonggram and I had the opportunity to discuss our bilateral relations as well as regional and international issues of common interest. We agreed to work together to further strengthen and diversify the excellent relations that exist between our two countries. Subsequently, we met in Plenary for the Joint Commission Meeting, which has just concluded with the signing of the Agreed Minutes.

The Minutes are a considered and focused document which will serve as a reference point for expanding our bilateral relations in the future. They cover a wide range of areas in our bilateral relations, including trade and investment, civil aviation, transportation linkages, agricultural cooperation, tourism, defence, security, science and technology, energy, culture, education, legal and consular matters and regional and multilateral issues.

I am confident that my visit here and the deliberations of the Joint Commission Meeting will further strengthen our relations and mark another significant step in realizing the rich potential of our relationship for the mutual benefit of our peoples.

Thank you.



404. Keynote Address by External Affairs Minister Pranab Mukherjee at the Institute for Security and International Studies (ISIS). Chulalongkorn University on “India’s Look East Policy: Implications for Thailand and South East Asia”.

Bangkok, September 14, 2007.

Please see Document No. 325.



VIETNAM

405. Press Release of the Ministry of External Affairs on the 13th Meeting of the India-Vietnam Joint Commission.

New Delhi, February 27, 2007.

The Thirteenth Meeting of the India-Vietnam Joint Commission on Trade, Economic, Scientific and Technological Cooperation was held on the evening of Tuesday, February 27, 2007 at Hyderabad House. The Meeting was Co-Chaired by the Minister of External Affairs, Shri Pranab Mukherjee and the Deputy Prime Minister and Foreign Minister of Vietnam, Mr. Pham Gia Khiem. At the end of the Meeting, the two Foreign Ministers signed the Agreed Minutes of the Joint Commission Meeting.

2. In the Agreed Minutes, the two sides reviewed the bilateral political relations, bilateral assistance, credits, banking, science and technology, industry, transportation, agriculture, animal husbandry, fisheries, aquaculture, civil aviation, tourism, education, training, human resource development, culture and other areas.
3. The Meeting expressed confidence that multi-sectoral bilateral cooperation discussed during the meeting would contribute to a broad based development of bilateral ties.
4. The Meeting noted with satisfaction that the value of bilateral trade in 2006 exceeded US \$ 1 billion which was the target set by the Twelfth Joint Commission Meeting. The Meeting resolved to set a target of US \$ 2 billion for bilateral trade by 2010.
5. The Meeting was informed that India has emerged as one of the top ten investors in Vietnam after the signing of the joint venture agreement by Essar Steel to set up a US \$ 527 million Hot Strip Mill plant in Vietnam earlier this month.
6. Indian companies expressed interest in participating in the petroleum, transportation and power sectors in Vietnam.
7. India committed to continue assistance to Vietnam in IT, science and technology and human resource development projects.
8. The Deputy Prime Minister and Foreign Minister of Vietnam called

on Prime Minister, Minister of External Affairs and the Leader of the Opposition in Lok Sabha during his stay in New Delhi. He will visit Bodhgaya on February 28, 2007.

9. The Deputy Prime Minister and Foreign Minister of Vietnam addressed a business meeting in FICCI at noon on February 27, 2007.
10. 2007 is the 35th Anniversary of the Establishment of Full Diplomatic Relations between India and Vietnam. The External Affairs Minister, Shri Pranab Mukherjee hosted a reception to commemorate the event at which the Vietnamese Deputy Prime Minister and Foreign Minister was the Chief Guest, on the evening of February 27, 2007. The reception was held at the Hyderabad House.



406. Joint Declaration on the Strategic Partnership between India and Vietnam.

New Delhi, July 6, 2007.

The Prime Minister of the Socialist Republic of Vietnam H.E. Mr. Nguyen Tan Dung paid a State Visit to India from July 4 to 6, 2007 at the invitation of the Prime Minister of the Republic of India, H.E. Dr. Manmohan Singh.

2. Prime Minister H.E. Mr. Nguyen Tan Dung was accorded a ceremonial reception at the Rashtrapati Bhavan on July 6, 2007. His engagements included a call on the President of the Republic of India, H.E. Dr. A.P.J. Abdul Kalam. The Prime Minister of India, H.E. Dr. Manmohan Singh held detailed discussions with the Prime Minister of Vietnam, H.E. Mr. Nguyen Tan Dung and hosted a banquet in his honour. The Speaker of Lok Sabha, the Leader of the Opposition, Lok Sabha and the Minister of 'State of External Affairs paid courtesy calls on the Prime Minister of Vietnam.
3. Prime Minister H.E. Mr. Nguyen Tan Dung addressed a Business Summit jointly organized by the apex chambers of commerce and industry. The fifth Meeting of the India-Vietnam Joint Business Council was held in New Delhi during the visit.

4. The two Prime Ministers held extensive discussions on July 6, 2007 when they covered the entire gamut of bilateral relations as well as regional and international issues of mutual interest. The discussions were held in the traditionally warm and cordial atmosphere characteristic of the longstanding and close friendship between India and Vietnam. They focused in particular on enriching bilateral relations and on measures to further deepen the partnership between India and Vietnam, taking into account the development in bilateral relations, its potential and the far reaching changes in the international arena.
5. The two leaders recalled that India-Vietnam relations have been extremely friendly and cordial since their foundations were laid by Prime Minister Nehru and President Ho Chi Minh more than fifty years ago. They also recalled with satisfaction the discussion during their earlier meeting in Cebu, Philippines in January 2007 on the margins of the ASEAN Summit.
6. The two leaders observed that their meeting was taking place in the fifth year since the signing of the "Joint Declaration on the Comprehensive Cooperation Framework between India and Vietnam" in May, 2003. The two leaders observed that despite the changes in the regional and international situation over the years, the traditionally close, ties of friendship between the two countries had remained steadfast. Noting the achievements in bilateral relations in the political, security, economic, science and technology and cultural fields, the two leaders resolved to strengthen India-Vietnam relations through the establishment of a New Strategic Partnership. This Partnership would anchor and help diversify and deepen the relationship between India and Vietnam in a rapidly changing international environment in years to come. This New Strategic Partnership would encompass bilateral relations in the political, economic, security, defense, cultural, scientific and technological dimensions and steer their cooperation in regional and multilateral fora.

Political, Defense and Security Cooperation

7. The two leaders highly valued the important contributions made to bilateral cooperation by various existing mechanisms such as the India-Vietnam Joint Commission and the India-Vietnam

Foreign Office Consultations and noted the important outcomes of recent high level bilateral visits from both sides. In order to further enhance cooperation and understanding in the context of the New Strategic Partnership established between the two countries, they agreed to establish a Strategic Dialogue at the level of Vice Ministers in the Foreign Office.

8. Recognizing the important role that India and Vietnam are called to play in the promotion of regional security, the two leaders welcomed the steady development of bilateral defense and security ties between their countries. They stressed the importance of existing institutional frameworks for defense and security cooperation between the two countries and pledged themselves to strengthen cooperation in defense supplies, joint projects, training cooperation and intelligence exchanges.
9. The two leaders agreed that contacts and exchanges of visits between the Defense and Security establishments of the two countries should be further enhanced.
10. Recognizing that both countries have extensive maritime interests, the two sides agreed to work closely to enhance cooperation in capacity building, technical assistance and information sharing between their respective relevant agencies for ensuring security of sea-lanes, including combating piracy, preventing pollution, and conducting search and rescue.
11. Recognizing that terrorism constitutes one of the most serious threats to international peace and security, the two leaders strongly condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purposes and reiterated that no cause or motive can ever excuse or justify acts of terrorism. They resolved to strengthen bilateral cooperation in combating terrorism in a comprehensive and sustained manner and, to this end, they agreed to convene a meeting of concerned agencies to identify ways and means to further strengthen and expand the existing cooperation in counter-terrorism. Both sides also agreed to further promote cooperation in cyber-security.
12. The two leaders shared the view that in addition to opportunities for development, the on-going process of globalization has posed a wide range of non-traditional security issues such as drug

trafficking, natural calamities, climate change, energy security, HIV/AIDS, avian influenza and other epidemics that could be effectively tackled by international cooperation. Along these lines, they resolved to strengthen bilateral cooperation in dealing with these issues through a sharing of experience, expertise and information.

Closer Economic Cooperation and Commercial Engagement

13. The Prime Minister of India reiterated India's commitment to assist Vietnam through soft loans and grants in vital areas of importance to Vietnam's economic development based on the needs projected from time to time by the Vietnamese side. The Prime Minister of Vietnam expressed his appreciation for the assistance extended by India to Vietnam.
14. Recognizing that closer economic integration between India and Vietnam could contribute to the transformation of the broader Asian region into an "Arc of Advantage and Prosperity" thereby promoting growth and stability, the two leaders welcomed efforts for the early conclusion of the India-ASEAN FTA. They directed their Trade Ministers to meet at an early date to put in place a strategy for significantly up-scaling bilateral trade and economic cooperation as well as to formulate plans for cooperation in various regional and multilateral fora. The Prime Minister of India agreed to the request of the Prime Minister of Vietnam for India's assistance in Vietnam's endeavors for fully integrating her economy with the global economy. Congratulating Vietnam on her entry into the WTO, the Prime Minister of India stated that this would provide yet another forum for cooperation between the two sides. The Vietnamese side proposed that India recognize Vietnam as a full market economy. The Indian side positively noted the Vietnamese proposal.
15. The two leaders noted with satisfaction that bilateral trade was growing steadily and resolved to take measures to increase bilateral trade turnover to US \$ 2 billion by 2010. The two sides were, however, aware of Vietnam's huge trade deficit with India and therefore agreed to take necessary measures to encourage Vietnam's exports to India so as to reduce the existing trade imbalances between the two sides. They noted that the current

year had seen a welcome trend of investment flows from India to Vietnam. There remained however, considerable untapped potential that could be realized through the diversification of the trade basket and further increases in investments taking advantage of existing complementarities. The two leaders welcomed the enhancement of cooperation between Chambers of Commerce and Industry of the two countries in order to support the private sector through the opening of contact points for business, organization of trade fairs and organizing seminars on exchange of information on trade opportunities, trade experiences, business environment and investment on an annual basis.

16. Recognizing the importance of global energy supplies to their respective national interests, the two leaders welcomed proposals for mutual investments and joint ventures in areas of complementarities such as the hydrocarbon and power sectors and directed oil and gas companies on both sides to further enhance their dialogue so as to conclude mutually beneficial agreements. The Vietnamese side noted the interest of some Indian companies for setting up refineries in Vietnam and welcomed the participation of Indian companies in bids for the import of crude oil from Vietnam.
17. The two leaders agreed to work together to improve connectivity and people-to-people contacts between their countries through enhanced tourism, aviation and shipping links. They also agreed to work both bilaterally and with other relevant countries in the ASEAN for improving land transportation linkages between the two countries.

Science and Technology Cooperation

18. Both leaders agreed that a New Strategic Partnership between India and Vietnam necessitated closer cooperation in the field of science and technology. Both leaders agreed to intensify technological cooperation including in the fields of climate research, health sciences, nanotechnology, nano technology, biotechnology and other areas.
19. The two leaders expressed satisfaction at the growing bilateral cooperation between the two countries in the peaceful uses of nuclear energy and other areas of science and technology. They

noted that there was considerable potential for scientific collaboration between the two countries in biotechnology, health, pure sciences, agriculture, science management, new materials and climate research.

20. Both leaders noted with satisfaction their ongoing cooperation in the Information and Communication Technology sector and projects in human resource development and advanced computing to enable Vietnam to realize its goal of promoting its software industry in a self-sustaining manner.
21. The Prime Minister of Vietnam welcomed the willingness of the Indian Space Research Organization in cooperating with the Vietnam's space programme and indicated that the Vietnamese side would nominate an appropriate partner in this regard.
22. Both leaders agreed to promote greater linkages between their respective educational and research institutions and centers of excellence and directed their officials concerned to establish linkages between the various centers set up in Vietnam with Indian assistance, so as to benefit from their respective strengths and synergies. They agreed to encourage their citizens to engage in greater research activities, academic exchanges and scholarships.
23. The Vietnamese side agreed to cooperate with India in the areas of its established strength, such as processing of wood and leather products. The two sides agreed to promote cooperation and the exchange of experiences in the fields both sides have strength in, such as trade in and processing of marine products. The two sides also agreed to exchange experiences and collaborate in the global market for agriculture produce like coffee, pepper, cashew, rubber, etc.

Cultural and Technical Cooperation

24. Both leaders noted with satisfaction the expansion of bilateral cooperation in the fields of culture, education and human resource development. The two sides also agreed to expedite a survey by a team of specialists from Archaeological Survey of India as well as its advice on the restoration of the Cham monuments in Vietnam. The Vietnamese side welcomed India's contribution to the restoration of Cham monuments in Vietnam.

25. The Prime Minister of Vietnam expressed appreciation for the training opportunities availed of by Vietnamese nationals under India's Technical and Economic Cooperation Programme (ITEC), the scholarships offered by the Indian Council of Cultural Relations for undergraduate/postgraduate study in India, training at the Entrepreneurship Development Centre in Vietnam and the proposed Centre for English Language training.
26. Both sides expressed satisfaction at the increase in people-to-people contacts both directly and through institutional mechanisms like friendship associations.

Multilateral and Regional Cooperation

27. The two leaders express their commitment to strengthen the role of the United Nations, so that it can become a more effective multilateral system, based on the principles of international law and the purposes and principles enshrined in the UN charter. This would strengthen its role in international peace and security as well as development. They cited the need to advance the objectives of the global agenda in a balanced manner and adopt a comprehensive approach to the fulfillment of the Millennium declaration and the attainment of the Millennium Development Goals.
28. Both leaders reiterated strong support for the ongoing reform of the United Nations and its principal organs, including the Security Council, reflected in the Outcome of the High Level Plenary Meeting of the 60th Session of the United Nations General Assembly held in New York in September 2005.,
29. Both leaders emphasized the need to cooperate to ensure the successful outcome of the WTO Development Agenda because it would be important for the achievement of the Millennium Development Goals. Both leaders expressed their commitment to ensure that the Doha Development round means a balanced outcome which meets the concerns of the developing countries.
30. The Indian Prime Minister cited the important and constructive role that Vietnam had played in the ASEAN and Vietnam's contributions for regional stability. The Vietnamese Prime Minister expressed appreciation for India's "Look East" policy and the

growing partnership between ASEAN and India which had been further strengthened by the adoption of the "India-ASEAN Partnership for Peace, Progress and Shared Prosperity" and its detailed Plan of Action. Both leaders renewed the commitment and active participation of Vietnam and India in the Mekong-Ganga Cooperation. Both leaders stressed that the India-ASEAN partnership is based on a common interest in the peace and prosperity of the entire South and Southeast Asian region. They also underlined their shared commitment for deepening the integration process of the Indian economy with the economies of the ASEAN.

31. India expressed appreciation for Vietnam's support for India's participation in the East Asia Summit. While acknowledging the centrality of ASEAN in leading the process of creating this new regional architecture, both countries reaffirmed the need for all member countries of the East Asia Summit to fully participate and actively contribute to a East Asia community where regional cooperation and integration are facilitated, and agreed to closely work together towards that objective. They further agreed that the East Asia Summit would remain outward looking and inclusive, complementing other existing regional mechanisms.
32. The two sides further agreed to exchange views and coordinate positions on the matters of mutual concern on multilateral fora, such as ARF, ASEM, EAS and the UN.

Conclusion

33. The two sides expressed their conviction that Prime Minister Nguyen Tan Dung's highly successful visit to India and the decision of the two Countries to establish a new strategic partnership have opened a new chapter in the friendship and cooperation between India and Vietnam.
34. Prime Minister Nguyen Tan Dung on behalf of the Vietnamese Government and the people expressed his appreciation to the Government and the people of India for the warm hospitality extended to him and his delegation. He invited Prime Minister Dr. Manmohan Singh to visit Vietnam at a mutually convenient time. The invitation was accepted with pleasure with dates to be decided through diplomatic channels.

Signed in New Delhi on the sixth day of July 2007.

Sd/-

Sd/-

**Manmohan Singh
Prime Minister of the
Republic of India**

**Nguyen Tan Dung
Prime Minister of the
Socialist Republic of Vietnam**



407. Memorandum of Understanding between the Department of Atomic Energy (DAE) of the Government of the Republic of India and Ministry of Science and Technology (MOST) of Government of Socialist Republic of Vietnam.

New Delhi, July 6, 2007.

Under the framework of the Agreement between the **Government of Republic of India** and the **Government of the Socialist Republic of Vietnam** for cooperation for the utilization of atomic energy for peaceful purposes which was signed and entered into force on 25th March 1986, and reviewed from time to time, the last renewal being in May 2007 and presently valid up to May 2012, the DAE of India and the MOST of Viet Nam (referred hereafter as "the Parties") note that the bilateral Agreement has worked well so far, and all bilateral cooperation arrangements under this Agreement have been conducted successfully.

I. Review of Cooperation Plan and Ongoing Activities

It may be recalled that Vietnam-India Nuclear Science Centre (VINSC) was inaugurated on 10th January 2002. All equipment at VINSC has been maintained and kept operational by NRI staff with support of spares and expertise from BARC. Atomic Absorption Spectrometer (AAS) was upgraded with hydride generator kit and additional four hollow cathode lamps, enabling the analysis up to 17 different elements.

VINSC has been effectively utilized for training purpose and most of the equipment such as AAS has also been useful for research activities. The Centre could be augmented, if need be.

In the field of human resource development, Vietnamese scientists were deputed for training at different establishments under the DAE. One scientist completed training at BARC in 2002, one in 2004 and three in 2005. In addition, two delegations of Vietnamese officials and experts visited India in 2005. A four member Indian delegation headed by H.E. Dr. S. Banerjee, Director, BARC visited Dalat and Ho Chi Minh City from July 11-14, 2005 to review and assess the ongoing cooperation activities and discussed the possible formulation of a cooperation plan for 2005-2007, with Vietnam scientists led by Dr. Dien, Director, NRI, Dalat. At present, three other scientists of the ITRRE have already been accepted for training in India for 3-6 months.

India has supplied a 100 kCi Co-60 source for the Research and Development Center for Radiation Technology (VINAGAMMA) in Ho Chi Minh City. At present, the Vietnam Atomic Energy Commission (VAEC) is also completing the procedures for purchasing another Co-60 source from India.

II. Cooperation Plan for 2007-2010

The parties mutually agreed to further strengthen and expand bilateral collaboration in the fields of peaceful uses of nuclear energy. Cooperation activities in 2007-2010, would comprise of the following:

II.1 India would continue to train manpower from Vietnam in nuclear related fields. The fields of training, number of trainees and duration would be communicated by the VAEC in due course. The VAEC will, through a proper selection process, ensure that the scientists/engineers deputed for training are of high caliber and proficient in English. If necessary, the courses for Vietnamese scientists could be structured in a way that allows them more time for self-study.

II.2 India would guide Vietnam in operating, utilizing and expanding the activities of VINSO to be able to conduct joint programmes, particularly of utilizing VINSO as a Regional Resource Centre to conduct training programmes under the aegis of IAEA and RCA.

II.3 Senior experts from both sides may visit each other for short durations. The Vietnamese side expressed its keenness to invite Indian senior experts to visit and hold seminars or short training courses in Vietnam. Indian side agreed to the Vietnamese proposal. The details would be worked out on the basis of requirement and mutual agreement.

In addition, senior experts from Vietnam can visit DAE institutions for postdoctoral research in mutually agreed areas for a period of up to one year.

II.4 Both the Parties agreed to continue cooperating in reactor calculation, safety analysis, familiarization with Monte Carlo methods as well as technology and safety of nuclear power plants.

II.5 The two Parties agreed to promote the bilateral collaboration in the exploration, exploitation and processing of uranium ore at Nong Son basin in the province of Quang Nam. Cooperation activities in this matter would be discussed and mutually agreed upon at the working level.

II.6 Viet Nam expresses its interest in regular supplies of Co-60 source for Viet Nam and VINAGAMMA will cooperate with Board of Radiation and Isotope Technology (BRIT) in the field of education and training, as well as in design and construction of industrial Co-60 sources and container for Co-60 sources for Vietnam and VINAGAMMA will cooperate with Board of Radiation and Isotope Technology (BRIT) in the field of education and training, as well as in design and construction of industrial Co-60 sources and container for Co-60 sources.

2. For all visits the sending side would bear the expenditure on the international airfare and the receiving side would provide local hospitality and internal transport, wherever necessary. In addition, the Indian side would continue to provide living allowance to visiting Vietnamese scientists for training under India-Vietnam Cooperation Plan. Details of each visit would be decided through mutual agreement.

Done in New Delhi on 6 July, 2007, in duplicate, in Hindi, English and Vietnamese languages, all texts being equally authentic. In case of difference in interpretation, the English text shall prevail.

**For the Department of
Atomic Energy,
Government of India**

**For the Ministry of Science & Technology,
Government of Vietnam**

**Dr, Anil Kakodkar
Secretary**

**Mr. Hoang Van Phong
Minister**

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408. Memorandum of Understanding between the Government of the Republic of India and the Government of the Socialist Republic of Vietnam on the exchange of properties and land for their respective Diplomatic Missions.

New Delhi, July 6, 2007.

The Government of the Republic of India (hereinafter referred to as the Government of India) and **the Government of the Socialist Republic of Vietnam** (hereinafter referred to as the Government of Vietnam);

With the desire to further consolidate and develop the traditional friendship and multifaceted cooperation between the two countries;

With an aim to create more conducive and favorable conditions for the functioning of their respective diplomatic missions in each other's capital;

In order to facilitate their diplomatic missions in construction, managing and maintaining their Chanceries and Residences in conformity with the new situation and on the basis of equality and reciprocity;

Recalling the Agreement on Reciprocal Exchange of Plots of Land for the Construction of Embassy Buildings, between the Socialist Republic of Vietnam and the Republic of India, signed on September 12, 2001 in New Delhi;

Desirous of initiating steps for implementation of this Agreement;

Have reached the following understanding:

Article 1

The Government of India and the Government of Vietnam agree to exchange equivalent areas of land without applying any charges or fees or rentals for the use and construction of necessary chancery and residences of the Diplomatic missions of each respective country.

Article 2

The Government of Vietnam agree to grant to the Government of India the right to use two plots of land with the total area of 3,752 sqm. and the structures constructed on them at 58-60 Tran Hung Dao Street (occupying an area of 2,057 sqm.) and 41 Ly Thuong Kiet Street

(occupying an area of 1,695 sqm.) in Hoan Kiem district of Hanoi, Vietnam for the use as Chancery and Residences of the Diplomatic Mission of the Republic of India.

Article 3

The Government of India agree to grant to the Government of Vietnam the right to use a plot of land with the total area of 3452.156 sqm. at number EP-7A in the diplomatic quarter of Chanakyapuri in New Delhi (and another plot of land of 300 sq. metres in Delhi, which would be discussed later), for the use as Chancery and Residences of the Diplomatic Mission of the Socialist Republic of Vietnam.

Article 4

The two sides agree to evaluate within six months the value of the infrastructures and constructions on the two plots of land as cited in Article 2 by an internationally recognized independent evaluating company. The cost of evaluation shall be equally shared by the two sides.

The Indian side shall, as soon as possible, transfer to the Vietnamese side the corresponding amount of money mutually agreed for the construction of its Chancery and Residences of Diplomatic Mission on the two plots of land cited in Article 3. Once this money transaction is completed, the Indian side shall obtain the full ownership of infrastructures and constructions on the two plots of land as cited in Article 2 and consequently, no more rentals shall be applied by the Government of Vietnam. At the same time, the Government of India will hand over possession of the plot mentioned in Article 3 to the Vietnamese side.

Article 5

The Government of India shall permit and facilitate the Government of Vietnam to construct new structures on the plots of land cited in Article 3 for the latter's Chancery and necessary Residences of Diplomatic Missions as per the Vietnamese side's requirements and in conformity with Indian Laws and local planning.

Article 6

The land as cited in Articles 2 and 3 and the ownership thereof would still belong to the Government of the host country. The plots will be

allotted on a lease of 99 years, without any lease rental, and with provision for automatic renewal. The rights to use land and the ownership of current and future infrastructures and constructions on the plots of land as cited in Article 2 and 3 shall belong to the Government of the sending country of each respective Diplomatic mission.

Each side shall cover all costs of repairs, maintenance, renovation and new construction in their respective Chanceries and Residences of Diplomatic Mission. However, new construction projects must get the approval of the host country.

Article 7

The Government of India and Vietnam agree that the two sides would only have the rights to use land, infrastructures and constructions on the plots of land mentioned in Articles 2 and 3 in conformity with international laws and national law of the host country as their respective Chanceries and Residences of Diplomatic Missions, and not for any other purposes. The properties would also not be transferred to a third party for use without the consent of the host country.

This Memorandum of Understanding comes into effect on the date of signing.

Done in New Delhi on the sixth day of July, Two thousand and seven, in two (02) equally authentic originals in English.

**On behalf of the Government of
Republic of India**

N. Ravi

**Secretary
Ministry of External Affairs**

**On behalf of the Government of the
Socialist Republic of Vietnam**

Le Cong Phung

**First Deputy Minister
Ministry of Foreign Affairs**



409. Treaty between the Republic of India and the Socialist Republic of Vietnam on Mutual Legal Assistance in Criminal Matters.

Hanoi, October 8, 2007.

The Republic of India and the Socialist Republic of Vietnam (hereinafter referred to as "the Contracting Parties"),

GUIDED by the traditional friendly relations between the two countries;

DESIRING to improve the effectiveness of cooperation between the two countries in the field of mutual legal assistance in criminal matters on the basis of mutual respect for sovereignty, equality and mutual benefit,

HAVE AGREED as follows:

Article 1
Scope of Application

1. The Contracting Parties shall, in accordance with the provisions of this Treaty, grant each other the widest measure of mutual legal assistance in criminal matters.
2. Mutual legal assistance is any assistance given by the Requested Party in respect of investigations, prosecutions or other proceedings to the Requesting Party in criminal matters, irrespective of whether the assistance is sought or is to be provided by a court or some other authority.
3. Assistance shall be provided without regard to whether the conduct which is the subject of the investigation, prosecution or proceedings in the Requesting Party would constitute an offence under the laws of the Requested Party.
4. Assistance shall include:
 - (a) taking evidence or Statements from persons;
 - (b) providing information, documents, records and articles of evidence;
 - (c) locating or identifying persons or items;
 - (d) serving documents;

- (e) executing requests for search and seizure;
 - (f) authorizing the presence of persons from the Requesting Party at, the execution of requests;
 - (g) making arrangements for persons to give evidence or assist in criminal investigations, prosecutions or proceedings in the Requesting Party;
 - (h) making detained persons available to give evidence or assist investigations;
 - (i) tracing, restraining, forfeiting and confiscating the proceeds and instrumentalities of criminal activities including those related to terrorism
 - (j) any other assistance consistent with the object of this Treaty which is not inconsistent with the laws of the Requested Party.
5. Assistance granted under this Treaty does not include:
- (a) the extradition, or the arrest or detention for that purpose, of any person;
 - (b) the execution in the Requested Party of criminal judgments imposed in the Requesting Party except to the extent permitted by the law of the Requested Party and this Treaty;
 - (c) the transfer of persons in custody to serve sentences;
 - (d) the transfer of proceedings in criminal matters.

Article 2 Definitions

1. For the purpose of this Treaty, "criminal matters" mean investigations (including inquiries), prosecutions or proceedings relating to any offence, including offences against a law related to taxation, customs duties, foreign exchange control or other revenue matters, the punishment of which at the time of the request for assistance falls within the jurisdiction of the Requesting Party.
2. For the purpose of this Treaty, "Proceeds of Crime" means any property derived or obtained directly or indirectly, by any person as a result of criminal activity (including crime involving currency transfers) or the value of any such property.

Article 3
Central Authorities

1. The Contracting Parties shall, at all times, have a person or an authority designated as the Central Authority, to transmit and receive requests for the purposes of this Treaty.
2. The following shall be the Central Authorities at the commencement of this Treaty:
 - (a) For the Republic of India, the Central Authority shall be the Ministry of Home Affairs
 - (b) For the Socialist Republic of Vietnam, the Central Authority shall be the People's Supreme Procuracy;
3. Each Party shall notify the other of any change of its Central Authority referred to in paragraph 2 of this Article.
4. The Central Authorities shall normally communicate directly with one another, but may, if they choose, communicate through diplomatic channels.

Article 4
Execution of Requests

1. Requests for assistance shall be carried out promptly by the competent authorities of the Requested Party in accordance with the laws of that Party and, to the extent those laws permit, in the manner requested by the Requesting Party.
2. The Requested Party shall, upon request, inform the Requesting Party of the date and place of execution of the request for assistance.
3. The Requested Party may postpone the delivery of material requested if such material is required for proceedings in respect of criminal or civil matters in that Party. If this is the case, the Requested Party shall, upon request, provide certified copies of documents.
4. The Requested Party shall promptly inform the Requesting Party of circumstances, when they become known to the Requested Party, which are likely to cause a significant delay in carrying out the request.
5. The Requested Party shall not refuse to execute a request on the ground of bank secrecy.

Article 5
Contents of Requests

1. Requests for assistance shall:
 - (a) indicate the name of the competent authority conducting the investigation, prosecution or other proceedings to which the request relates;
 - (b) specify the purpose of the request and the nature of the assistance sought;
 - (c) identify the person, agency or authority that initiated the request;
 - (d) include a description of the nature of the criminal matter, including a summary of the relevant facts and laws and applicable penalties;
 - (e) include a Statement indicating the current status of the investigation or proceeding;
 - (f) include a Statement specifying any time frame within which compliance with the request is desired.
2. Requests for assistance, where relevant and so far as possible, shall also include:
 - (a) the identity, nationality and location of the person or persons who are the subject of, or who may have information relevant to the criminal matter;
 - (b) where the request is for assistance under Article 11:-
 - (i) in the case of requests to take evidence from a person, an indication as to whether sworn or affirmed Statements are required and a description of the matter about which persons are to be examined including, where appropriate, any questions that the Requesting Party wishes to put to those persons;
 - (ii) a description of any documents, records or articles of evidence to be produced and, where relevant, a description of the appropriate person to be asked to produce them;

- (c) in the case of lending of exhibits, the current location of the exhibits in the Requested Party and an indication of the person or class of persons who will have custody of the exhibits in the Requesting Party, the place to which the exhibit is to be taken, any tests to be conducted and the date by which the exhibit will be returned;
- (d) in the case of making persons in custody available, an indication of the person or class of persons who will have custody during the transfer, the place to which the person in custody is to be transferred and the probable date of that person's return;
- (e) where the request is for assistance under Article 13 or 14, information about the allowances and expenses to which a person traveling to the Requesting Party would be entitled;
- (f) where the request is for assistance under Article 10 or Article 16 or Article 17 a description of the material sought and, where relevant, its likely location;
- (g) where the request is for assistance under Article 16 or Article 17;-
 - (i) a Statement outlining the basis of Requesting Party's belief that proceeds of crime may be located in its jurisdiction, and
 - (ii) the court order, if any, sought to be enforced and a Statement about the status of that order;
- (h) where the request is for assistance that may lead to or result in the discovery or recovery of proceeds of crime, a Statement as to whether a special arrangement under Article 16 (4) is sought.
- (i) a Statement outlining any particular requirement or procedure that the Requesting Party may have, or wish to be followed in giving effect to the request, including details of the manner or form in which any information, evidence, document or item is to be supplied;
- (j) Statement setting out the wishes, if any, of the Requesting

Party concerning the confidentiality of the request, and the reasons for those wishes;

- (k) where an official of the Requesting Party intends traveling to the Requested Party in connection with the request, information about the purpose of that person's visit, the proposed time frame and travel arrangements;
 - (l) any other supporting information, evidence or documents that is necessary to enable, or may assist, the Requested Party to give effect to the request.
3. If the Requested Party considers that the information contained in a request is not sufficient to enable the request to be dealt with in accordance with this Treaty, it may request additional information.
 4. A request shall be made in writing except that the Requested Party may accept a request in another form in urgent situations. In any such situation, the request shall be confirmed in writing within 45 days unless the Requested Party-agrees otherwise.

Article 6 **Refusal or Postponement of Assistance**

1. Assistance shall be refused if, in the opinion of the Requested Party:
 - (a) the request relates to an offence that is regarded by the Requested Party as a purely military offence;
 - (b) the request relates to the prosecution of a person for an offence in respect of which the person has been convicted, acquitted or pardoned in the Requested Party; !
 - (c) the request, if granted, would impair the Requested Party's sovereignty, security, public order or essential interests.
2. Assistance may be refused if, in the opinion of the Requested Party,
 - (a) the execution of the request would be contrary to the domestic law of the Requested Party.
 - (b) the request seeking restraint, forfeiture or confiscation of proceeds of crime or seizure of property are in respect of conduct/ activity which cannot be made basis for such restraint, forfeiture, confiscation or seizure in the Requested Party.

3. Assistance may be postponed by the Requested Party if the request would interfere with an ongoing investigation or prosecution in the Requested Party.
4. Before denying or postponing assistance pursuant to this Article, the Requested Party, through its Central Authority, shall:
 - (a) promptly inform the Requesting Party of the reason for considering denial or postponement; and
 - (b) consult the Requesting Party to determine whether assistance may be given subject to such terms and conditions as the Requested Party deems necessary.
5. If the Requesting Party accepts assistance subject to the terms and conditions referred to in paragraph 4 (b), it shall comply with those terms and conditions.

Article 7
Service of Documents

1. The Requested Party shall, to the extent its laws permit, carry out requests for the service of documents in respect of a criminal matter.
2. A request for service of a summons requiring the appearance of a person as a witness in the Requesting Party shall be made to the Requested Party within 45 days before the scheduled appearance. In urgent cases, the Requested Party may waive this requirement.
3. The Requested Party shall forward to the Requesting Party proof of service of the documents. If service cannot be effected, the Requesting Party shall be so informed and advised of the reasons.

Article 8
Provision of Information

1. The Requested Party shall provide copies of publicly available documents, records or information that are open to public access.
2. The Requested Party may provide copies of any documents, records or information in the same manner and under the same conditions as they may be provided to its own law enforcement and judicial authorities. As and when requested by the Requesting Party, the documents shall be certified as per the requirement of Law of the Requesting Party.

3. The Requested Party may provide certified true copies of documents of records, unless the Requesting Party expressly requests originals.

Article 9
Return of Material to the Requested Party

Where required by the Requested Party, the Requesting Party shall return material provided under this Treaty when it is no longer needed for the criminal matter to which the request relates.

Article 10
Search and Seizure

1. The Requested Party shall, to the extent its laws permit, carry out requests made in respect of a criminal matter in the Requesting Party for the search, seizure and delivery of material to that Party as is got done for its own law enforcement and judicial authorities.
2. The Requested Party shall provide such information as may be required by the Requesting Party concerning the result of any search, the place and circumstances of seizure, and the subsequent custody of the material seized.
3. The Requesting Party shall observe any conditions imposed by the Requested Party in relation to any seized material which is delivered to the Requesting Party.

Article 11
Taking of Evidence

1. The Requested Party shall, to the extent its laws permit and upon request, take testimony, or otherwise obtain Statements of persons or require them to produce items of evidence for transmission to the Requesting Party.
2. The Requested Party, to the extent permitted by its law, shall permit the presence of such persons as specified in the request during the execution of the request, and may allow such persons to question the person whose testimony or evidence is being taken. In the event that such direct questioning is not permitted, such persons shall be allowed to submit questions to be posed to the persons whose testimony or evidence is being taken. However, the persons present at the execution of a request may be permitted to make a verbatim transcript of the proceedings. The use of technical means to make

such a verbatim transcript may be permitted.

3. A person from whom evidence is to be taken in the Requested Party pursuant to a request under this Article may decline to give evidence where:
 - (a) the law of the Requested Party would permit or require that person to decline to give evidence in similar circumstances in criminal proceedings originating in the Requested Party; or
 - (b) the law of the Requesting Party would permit or require that person to decline to give evidence in such criminal proceedings in the Requesting Party.
4. If any person in the Requested Party claims that there is a right or obligation to decline to give evidence under the law of the Requesting Party, the Central Authority of the Requesting Party shall, upon request, provide a certificate to the Central Authority of the Requested Party as to the existence or otherwise of that right. In the absence of evidence to the contrary, the certificate shall be sufficient evidence of the matters stated in it.
5. For the purposes of this Article, the taking of evidence includes the production of documents or other articles.

Article 12

Presence of Persons at the Execution of Requests

To the extent not prohibited by the law of the Requested Party, persons specified in the request shall be permitted to be present at the execution of the request.

Article 13

Transfer of Persons in Custody to Give Evidence or Assist Investigations

1. A person in custody in the Requested Party may, at the request of the Requesting Party, be temporarily transferred to that Party to give evidence in criminal proceedings or assist investigations in that Party. For the purposes of this Article, a person in custody also includes a person not detained in prison but who is subject to a sentence imposed for an offence, not being a sentence of a monetary nature.

2. The Requested Party shall transfer a person in custody to the Requesting Party only if:
 - (a) the person freely consents to the transfer; and
 - (b) the Requesting Party agrees to comply with any conditions specified by the Requested Party relating to the custody or security of the person to be transferred.
3. Where the Requested Party advises the Requesting Party that the transferred person is no longer required to be held in custody, that person shall be released.
4. A person who is transferred pursuant to a request under this Article shall be returned to the Requested Party in accordance with arrangements agreed by the Requested Party as soon as practicable after the evidence has been given or at such earlier time as the person's presence is no longer required.

Article 14
Availability of Other Persons to Give
Evidence or Assist Investigations

1. The Requesting Party may request the assistance of the Requested Party in arranging for the transfer of a person (not being a person to whom Article 13 of this Treaty applies) to the Requesting Party to give or provide evidence or assistance in respect of a criminal matter in the Requesting Party.
2. The Requested Party shall, if satisfied that satisfactory arrangements for that person's safety will be made by the Requesting Party, invite the person to consent to give or provide evidence or assistance in the Requesting Party. The person shall be informed of any expenses or allowances payable. The Requested Party shall promptly inform the Requesting Party of the person's response and, if the person consents, take all steps necessary to facilitate the request.

Article 15
Safe Conduct

1. Subject to paragraph 2 of this Article, a person present in the Requesting Party pursuant to a request made under Article 13 or Article 14 of this Treaty. shall not:

- (a) be detained, prosecuted or punished in the Requesting Party or any 1 offence, nor be subject to any civil proceedings, being civil proceedings to which the person could not be subjected if the person were not in the Requesting Party, in respect of any act or omission which preceded the person's departure from the Requested Party; and
 - (b) without his/ her consent, be required to give evidence in any criminal proceeding or to assist any criminal investigation other than the criminal matter to which the request relates.
2. Paragraph 1 of this Article ceases to apply if that person, being free to leave, has not left Requesting Party within a period of 30 days after that person has been officially notified that his or her presence is no longer required or, having left, has returned.
3. A person who does not consent to give evidence pursuant to Article 13 or Article 14 of this Treaty shall not by reason thereof be liable to any penalty or coercive measure by the courts of the Requesting Party or Requested Party.
4. A person who consents to give evidence pursuant to Articles 13 or Article 14 of this Treaty shall not be subject to prosecution based on his or her testimony, except for perjury or contempt of Court.

Article 16
Proceeds and Instruments of Crime

1. The Requested Party shall, upon request; endeavour to ascertain whether any proceeds or instruments of crime are located within its jurisdiction and shall notify the Requesting Party of the results of its inquiries.
2. Where, pursuant to paragraph 1, suspected proceeds or instruments of j crime are found, the Requested Party shall take such measures as are permitted by its law to restrain or confiscate such proceeds or instruments of crime.
3. In the application of this Article, the rights of bona fide third parties shall be respected under the law of the Requested Party.
4. The Requested Party shall retain any proceeds or instruments of crime that are confiscated unless otherwise agreed in a particular case.

Article 17
Funds meant for financing acts of terrorism

Where either of the Contracting States have reasons to believe that any person or group of persons in their jurisdiction has collected or has been collecting or has contributed or has been contributing to any funds meant, directly or indirectly for the financing or furthering the acts of terrorism in the territory of the other State, it shall bring these facts to the notice of the other signatory State and shall take steps as permitted by its law for search, seizure and confiscation of such funds and the prosecution of the individual concerned.

Article 18
Confidentiality

1. The Requested Party may require, after consultation with the Requesting Party, that information or evidence furnished or the source of such information or evidence be kept confidential, disclosed or used only subject to such terms and conditions as it may specify.
2. The Requesting Party may require that the request, its contents, supporting documents and any action taken pursuant to the request be kept confidential. If the request cannot be executed without breaching the confidentiality requirement, the Requested Party shall so inform the Requesting Party prior to executing the request and the latter shall then determine whether the request should nevertheless be executed.
3. The Requesting Party shall, if so requested, use its best efforts to ensure that the information or evidence is protected against loss and unauthorized access, use, modification, disclosure or other misuse.

Article 19
Limitation of Use

The Requesting Party shall not use information or evidence obtained, nor anything derived from either, for purposes other than those stated in a request without the prior consent of the Requested Party.

Article 20
Certification and Authentication

1. Subject to paragraph 2 of this Article, a request for assistance, the

documents in support thereof, and documents or materials furnished in response to a request, shall not require any form of certification or authentication.

2. Where, in a particular case, the Requested or Requesting Party requests that documents or materials be authenticated, the documents or materials shall be duly authenticated in the manner provided in paragraph 3.
3. Documents or materials are authenticated for the purposes of this Treaty if they purport to be signed or certified by an official or competent authority under the laws of the Party sending the document and to be sealed with an official seal of that authority.

Article 21 Language

A request, any supporting documentation and any communications made pursuant to this Treaty, shall be in the language of the Requesting Party and be accompanied by a translation into the language of the Requested Party or in the English language.

Article 22

Subsidiary Arrangements

The Central Authority of each Party may enter into subsidiary arrangements consistent with the purposes of this Treaty and with the laws of both Parties.

Article 23

Representation and Expenses

1. Unless otherwise provided in this Treaty, the Requested Party shall make all necessary arrangements for the representation of the Requesting Party in any criminal proceedings arising out of a request for assistance and shall otherwise represent the interests of the Requesting Party.
2. The Requested Party shall meet the cost of fulfilling the request tot-assistance except that the Requesting Party shall bear:
 - (a) the expenses associated with conveying any person to or from the territory of the Requested Party, and the accommodation expenses of the person and any fees, allowances or other

- expenses payable to that person while in the Requesting Party pursuant to a request under Articles 7, 13 or 14 of this Treaty;
- (b) the expenses associated with conveying custodial or escorting officers;
 - (c) fees and expenses of experts,
 - (d) expenses associated with interpretation and the translation of documents and taking of evidence from the Requested Party to the Requesting Party via video, satellite or other technological means;
 - (e) where required by the Requested Party, exceptional expenses incurred 1 in fulfilling the request.

Article 24
Compatibility with other Treaties

This Treaty shall not prevent either Party from granting assistance to the other Party through the provisions of other applicable international conventions/ agreements, or through the provisions of its domestic law. The Contracting Parties may also provide assistance pursuant to any bilateral arrangement, agreement or practice which may be applicable.

Article 25
Consultations

The Contracting Parties shall consult promptly, at the request of either concerning any issue relating to the interpretation, application or implementation of this Treaty, either generally or in relation to a particular case.

Article 26
Entry into Force and Termination

1. This Treaty :
 - (a) is subject to ratification and the instruments of ratification shall be exchanged as soon as possible;
 - (b) shall enter into force from the date of exchange of instruments of ratification;
 - (c) applies to requests regardless of the fact whether the relevant

acts or omissions occurred before or after its entry into force;
and

(d) may be amended by mutual consent.

2. Either Contracting Party may terminate this Treaty. The termination shall take effect six (6) months from the date on which it is notified to the other Contracting Party.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Treaty.

DONE at Hanoi this the 8th day of October, 2007 (Two Thousand and Seven) in two originals, each in Hindi, Vietnamese and English, all texts being equally authentic. However, in case of divergence of interpretation, the English text shall prevail.

For the Republic of India

For the Socialist Republic of Vietnam



IV (iii) CENTRAL AND WEST ASIA

410. Address by Minister of State E. Ahamed at the 19th Summit of the League of Arab States.

Riyadh, March 29, 2007.

Your Majesty, King Abdullah bin Abdul Aziz Al Saud of Saudi Arabia and Custodian of the Two Holy Mosques, Your Majesties, Highness' and Excellencies, Your Excellency Dr. Amre Moussa, Secretary General of the Arab League, Ladies and Gentlemen,

It is with great pleasure and pride that I lead the Indian delegation to the 19th Summit of the League of Arab States in this majestic capital, Riyadh. This Summit acquires special significance as it is convened at a time when major events are engaging the Arab world and impacting the region. The Arab world itself has seen major changes between the holding the last Summit in Khartoum and the present Summit. The important role played by Your Majesty in consultation with fellow Arab leaders in recent weeks, towards the resolution of some major issues agitating the region deserves high praise. This is an auspicious beginning to the 19th Summit of League of Arab States.

Your Majesty,

2. India has been closely following developments in the Arab world, and with care and concern¹. In underlining this interest, it is not incomprehensible that we have had several high-level visits from and to the Arab world in the last year beginning with the State Visit of Your Majesty in January. We were also privileged to receive His Majesty King Abdullah the Second of the Hashemite Kingdom of Jordan and His Highness Sheikh Sabah Al Jaber al Ahmed al Sabah,

1. A press release of the Ministry of External Affairs issued on March 23 said that "this is the third time India has been invited to the Arab Summit. The last two summits were held in Algiers and Khartoum in 2005 and 2006 respectively." The Release said "The people and Government of India attach great importance to the diversification and strengthening of traditional relations with the Arab people and Arab world. In keeping with this sentiment India has evolved close links with the Arab League, since the early years of our independence." India enjoys the Observer status in the Arab League. India's participation underlines the policy of enhancing the effectiveness of its relations with the Arab world. The participation in 2007 assumes significance in the light of the recent developments concerning Palestine, where a new Palestine National Unity Government had been formed. India's traditional support to the legitimate rights and aspirations of the Palestinian people is well-known. India's relations with the Arab countries have found reflection in individual Arab countries through extension of assistance for various developmental projects in a variety of sectors.

the Emir of Kuwait and very recently, His Highness Shaikh Salman bin Hamad Al Khalifa, Crown Prince, Kingdom of Bahrain and His Highness Shaikh Mohammed bin Rashid al Maktoum, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai, besides hosting high-level visits from Egypt and Morocco. Earlier, we had the pleasure of hosting His Highness Sheikh Hamad Bin Khalifa Al-Thani, the Emir of Qatar, Mr. Driss Jetou, Prime Minister of Morocco and Mr. Mahmoud Abbas, President of Palestine. Delegations from my country have visited almost all Arab states. I myself have been privileged to travel to the Gulf and other Arab countries. Thus, the interaction at all levels between India and the Arab world is healthy, cordial, multifaceted and rapidly expanding.

Your Majesty,

3. I bring to you an affirmation of this relationship through a message of goodwill and friendship addressed to you and to the Summit by my Prime Minister Dr. Manmohan Singh whose government has implemented a policy decision from its outset to enhance our relations with the Arab world to new heights. I quote:

"India has always extended principled and consistent support to Arab causes. I wish to express warm appreciation for Your Majesty's wisdom in facilitating the Mecca Agreement. Issues of interest to the Arab world have always been high in India's foreign policy priorities.

I am happy to inform Your Majesty that we have had very productive and wide-ranging consultations within the framework of the Memorandum of Understanding of 2002 between India and the League of Arab States.

We look forward to Your Majesty's gracious support on this occasion in consolidating the excellent relations which we enjoy with the member States of the Arab League. May I also request Your Majesty's kindness in conveying the greetings of the Indian people to the Heads of States and Government of all delegations attending the Summit?"

4. The centuries-old ties that bind India to the Arab world are too numerous, strong and varied for me to enumerate. In modern times, our destinies have been linked during our respective freedom struggles and it was only appropriate that India was one of the first

countries where the League of Arab States opened an office in the early 1950s soon after our independence in 1947. The role and the stature of League of Arab States has increased in international fora representing an importance voice in mediation and dialogue for contentious issues agitating the region, in West Asia, Gulf or North Africa, that have an impact beyond the immediate neighbourhood. India believes in finding solutions through peaceful dialogue, discussion and reconciliation among the various groups involved rather than resort to force.

Your Majesty,

5. In this regard I wish to reiterate the strong support and commitment of the Government and the people of India to the just and legitimate rights of the Palestinian people, the cause of Palestine and to the establishment of the State of Palestine. We support the path of peaceful negotiations leading to the establishment of a sovereign, independent, viable and united State of Palestine, within well-defined and recognised borders, living in peaceful coexistence with its neighbours.
6. The Government of India in this regard specially commends and welcomes the personal initiative and efforts undertaken by Your Majesty, towards the realisation of a Palestinian Government of National Unity, under President Mr. Mahmoud Abbas through the ground-breaking Mecca Agreement of 8th February 2007. We welcome the cooperation of all Palestinian leaders in this regard.
7. We further welcome the formal setting up of the Palestinian Government of National Unity on 18th March, 2007 under President Mahmoud Abbas resulting from the Mecca Agreement, and signalling reconciliation and cooperation among the Palestinians and encourage all parties concerned to work towards resumption of dialogue in the peace process as a follow-up. India is willing to work further with the Palestinian Authority in their reconstruction of their nation.
8. India supports a comprehensive and just peace in West Asia which addresses all tracks of the peace process.
9. All these recent developments mentioned above, in West Asia would not be incompatible with the Beirut Peace Plan of 2002.

Your Majesties, Excellencies,

10. The Government of India attaches a high priority to its multi-faceted relations with the Arab nations. Over the years, the arts, culture, trade and the sciences have brought together our many cultures for mutual enrichment of our societies and people-to-people contact. India and the Arab nations form part of each others' strategic and commercial neighbourhood.
11. In the 21st century, even as India focuses with greater intensity on the Arab world, we witness growing and rapid engagement from Arab nations in the Indian economy and trade. There are great complementarities between our economies since Arab nations are important sources of our energy and a growing destination for our investments and an expanding market for our goods. Approximately 5 million Indians live in Arab nations and engage in their economies and societies. We on our part welcome Arab investors and chambers of commerce to take advantage of the booming Indian economy. We are happy to see that Arab Chambers of Commerce are already working on a track-II engagement and in the last year alone we have had delegation from several Arab countries in the Gulf, West Asia as well as North Africa, coming to India and vice versa.
12. Addressing the 79th Annual General Meeting of Federation of the Indian Chambers of Commerce and Industry, in January earlier this year, our Prime Minister said of the Indian economy and I quote:

"Apart from the higher rate of investment, which is now at an all-time peak of 31% of GDP, what has sustained the above 8% annual rate of growth of the economy is the altered state of expectations. New opportunities are being created to promote public-private partnerships for the expansion and modernization of infrastructure sectors. Not only do we have a goal of investing over US \$ 320 billion in our infrastructure sectors, we have also created the necessary institutional structures and tangible investment opportunities to enable this investment to actually happen."
13. Indian entrepreneurs have already invested in joint ventures, in energy, power, health, infrastructure, IT, shipping, air services, higher education, pharmaceuticals, automobiles, agriculture machinery, etc.

in Arab nations. India-Arab Trade Fairs have been highly successful in 2006 and have been held in Gulf, Sudan and Morocco.

Your Majesty,

14. India would wish to evolve a more structured framework with the League of Arab States with regular high-level interaction with the Secretary General Dr. Amre Moussa and other members and with greater focus on the economy, trade and health services with private and public partnership, and an active involvement of the Chambers of Commerce. May I point out that India will be more than happy to cooperate with the Arab countries as a partner in a mutually beneficial relationship?
15. In conclusion, I would like to convey my gratitude to Your Majesty and to the Government of the Kingdom of the Saudi Arabia for the excellent arrangements made for the Summit and for the gracious hospitality extended to the members of my delegation. On behalf of the people of India and the leadership, I convey our good wishes for the success of the Summit.

Thank you.



411. Press Release issued by the Ministry of External Affairs on the visit of Arab League Delegation.

New Delhi, May 10, 2007.

H.E. Ambassador Heshm Youssef, Chief of the Cabinet of the Secretary-General of the League of Arab States, led a 5-member delegation to New Delhi on 9-10 May 2007 for the third round of the India-Arab League bilateral dialogue. The Indian delegation was headed by Shri N. Ravi, Secretary(East), MEA. The dialogue took place within the framework of the MoU signed between the Ministry of External Affairs and the Secretariat of the League of Arab States on 6 March 2002.

During the talks, the leader of the two delegations exchanged their views and assessments of regional and multilateral issues. Secretary(East) emphasized the importance India attaches to its long-standing relations of friendship and cooperation with the Arab world. The recent high-level exchange of visits between India and the Arab countries and India's

expanding trade and economic relations with West Asia and North Africa and the Gulf were noted with satisfaction. Secretary (East) reaffirmed India's strong support for the legitimate aspirations of the Palestinian people. India's strong commitment to the just and legitimate rights of the Palestinian people, to the establishment of a sovereign, independent, viable and united state of Palestine, within well defined and recognized borders, living in peaceful co-existence with its neighbours, was reiterated.

Both sides agreed that possibilities of strengthening economic and commercial relations and cooperation in HRD, S&T and tourism within the India-Arab League framework should be studied and developed. In this context, a preliminary exchange of views took place on establishing an India-Arab Cooperation Forum. It was agreed to continue discussions on this subject.

During the visit, Ambassador Hesham Youssef also called on Minister of State for External Affairs, Shri E. Ahamed.

The Arab League delegation also had discussions with ASSOCHAM, CII and FICCI on enhancing trade and joint ventures in traditional and new sectors between the Arab nations and India.



412. Address by Vice President M. Hamid Ansari at the International Conference on “Emerging Security Concerns in West Asia” organised by the Observer Research Foundation.

New Delhi, November 21, 2007.

Ambassador Rasgotra

Prof. Michael Brie

Gen. V.P. Malik

Members of the ORF fraternity

Distinguished guests

Ladies and gentlemen

It is a pleasure to be back on a familiar platform. Familiarity in this case,

however, is a disadvantage since I may be in danger of repeating what I might have articulated on previous occasions!

Many years back the British philosopher Gilbert Ryle had drawn attention to the dangers of expressions that are 'couched in syntactical form improper to the facts recorded'. This observation is relevant to our subject today since the theme of the conference begs definition and delineation. Unanimity of perception, of course, would have been ideal; since that is lacking, the two operative terms – 'emerging' and 'security concerns' – need to be spelt out.

Centrality has been the curse of West Asia. It is hardly necessary to remind this audience that external security concerns pertaining to the region have been around for over a century. Writing in 1917, Marriott, a British Scholar, defined the Eastern Question as 'the problem of filling up the vacuum created by the gradual disappearance of the Turkish Empire from Europe'. In May 1917, Britain and France used the Sykes-Picot Agreement to acquire 'the right of priority in enterprises and local loans' in designated Arab areas of the Ottoman Empire and to deny any facilities to a third Power in the Arabian Peninsula and the Red Sea. In a parallel move, the secret Balfour Declaration of November 1917 carried the commitment for the 'establishment in Palestine of a national home for the Jewish people'. A decade earlier on August 31, 1907, the Anglo-Russian Entente was signed, dividing Iran into three zones only one of which was under Iranian control. 'The Iranians', in Professor Nikkie Keddie's words, 'were neither consulted on the agreement nor informed of the terms'. That exercise, of division and occupation, was repeated during World War II.

These experiences with external powers left indelible marks on national perceptions.

The short point that I wish to emphasise is that 'emerging security concerns' cannot be viewed in a vacuum and in a single dimension; they need to be seen both from the internal and the external perspectives and in terms of the historical experience of individual societies. Furthermore, security perceptions vary greatly within nations and between them. Security is no longer viewed in military and nation-state terms. National security and regime security are not necessarily synonymous. Today we live in the age of human security. Progress in comprehension would therefore be possible only through de-segregation; generalisations would be possible only if we succeed in identifying common threat perceptions.

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Any discussion of contemporary West Asia must begin with three questions:

What is happening in the region?

Why is it happening?

What is the way out?

The answer to the first question is obvious. It focuses on a set of well-known situations:

- A Middle East Peace Process that is lingering on promissory notes whose encashment has been deferred repeatedly;
- A quagmire in Iraq that has dented the prestige and power of the United States;
- A failure to abandon the doctrines of 'Pre-emptive Strikes' and of 'Regime Change' despite the experience of recent years and sharply declining public support for it in the United States;
- Israel's failure to destroy the Hezbollah in Lebanon and Hamas in Gaza;
- America's stand off with Iran, and the threat to regional and world peace emanating from it;
- Enhanced external pressure on Iran to terminate its nuclear programme;
- Demographic pressures and a developing gap between commitment and expectation in West Asian societies;

- Failure of the 'Middle East Initiative' and the 'Greater Middle East Initiative' and of the attempt to democratise West Asian societies. Also, the impact of this on indigenous reform movements; and
- The little mentioned problem of water.

There is no simple answer to the second question. West Asia has been and continues to be a pivotal factor in global geopolitics. These have been aggravated in recent years by a set of new considerations:

- Crisis of the Old Order and end of bipolarity;
- The attempt to impose a New Order.
- Failure to develop a security paradigm in the region and particularly in the Persian Gulf; and
- Ideological dimensions and their implications – defeat of Arabism and Arab nationalism, failure of the Left and the re-emergence of religious radicalism.

These factors do not function autonomously; instead, they interact on a continuous basis. Comprehensive analysis of these is not possible in the short time available to me this morning. One aspect, however, is worth highlighting; I refer to the interaction between the periphery and the core. In specific terms, this would refer to the role of Israel and Iran, and occasionally of Turkey, and the impact of their relationship on the core problems of contemporary West Asia.

An answer to the third question is contingent on variables of considerable size and diversity. One could begin by stating the factual situation as known publicly.

While the greater part of the region and its population are Arab, the principal factors in the strategic calculus are non-Arabs. Two are on the periphery – Israel and Iran, and one beyond it – the United States. The interaction of these with the region, and with each other, is having a decisive impact.

A beginning may be made with self-perceptions. The region, President Bush said in his State of the Union message earlier this year, is the venue of 'the decisive ideological struggle of our times'. As Undersecretary of State Nicholas Burns put it, it is the epicentre of American foreign policy.

On the other side is the view of Dr. Martin Kramer, an Israeli-American

scholar of considerable repute who also serves as senior Middle East advisor to Republican presidential hopeful Rudy Giuliani. He said in a lecture the other day that 'we must get ourselves back over the horizon and as much out of the Arab line of sight as possible' and, as was done by the British, French, Ottoman throughout history. 'Rule lightly, unless provoked. Delegate power and don't tamper with local customs. Using these rules, great empires dominated the Middle East for centuries. Our problem, though, is that we don't see ourselves as a great empire, and we don't want to rule anyone directly. We just want to transform them thoroughly'.

The operative expression in both sets of perceptions is a desire to dominate. The discussion is only about modalities.

Israel, a mid-twentieth century factor in the region, has not been able to translate its military superiority into a total, definitive, victory. Its invincibility was dented in the war with Hezbollah. This is not reflected in political perceptions where right wing political parties and a small but effective settler lobby has defied moves towards a meaningful peace process. The lack of a serious U.S. interest in the peace process has helped sustain it. The American West Asian policy is hampered by the "Israel test" to which it is subjected in terms of domestic politics. Israel's policy objective is to: (a) exhaust the Palestinians, riddle the West Bank with settlements, make impossible the emergence of a viable Palestinian state and (b) dominate the region militarily, technologically and economically.

Iran, driven by memories of the Revolution and the long war with Iraq, seeks to project a threefold desire: (a) acknowledgement of its regional weight, particularly in West Asia and the Persian Gulf (b) development of a technological capability to assist it (c) bring to an end, on equitable terms, to the regime of sanctions to facilitate access to badly needed technology and foreign investment for economic development. The stand off on Iran's alleged nuclear weapons programme is thus a political instrumentality resorted to maximise advantage in a complex negotiating process.

The state-centric security concerns in West Asia thus relate principally to the moves on the chess board of the United States, Israel and Iran in relation both to each other and to other actors in the region.

The United States today is not the Sole Super Power of the spring of 2003. The policies of unilateralism, 'creative destruction' and pre-emption have faltered. The U.S. has been mauled by non-state actors in Iraq; its policies have given an impetus to terrorism; it has lost domestic support for its Iraq

policy; its unpopularity levels are alarmingly high in Arab and Muslim countries and its intentions are suspected. The financial burden of the war and the drain on the dollar has added to public concerns. The dissent in the national security establishment of the United States has become public. Francis Fukuyama wrote last month that when he penned the End of History 'the one thing I did not anticipate was the degree to which American behaviour and misjudgements would make anti-Americanism one of the chief fault lines of global politics'.

The imperatives in the Iran policy of the United States have to be viewed in this context. Suggestions about military action have emanated from time to time; doubts about its efficacy and wider implications have also been raised. The absence of decisive evidence of Iranian culpability has been a restraining factor. Non-proliferation experts like Dr. David Albright have recently expressed the view that (a) Iran has not yet demonstrated competency at enriching uranium, (b) the programme 'still has a way to go', and (c) creative thinking should focus at direct negotiations without pre-conditions, but with some confidence building measures by Iran, between Iran, the EU and the United States. Dr. Henry Kissinger, who was in Delhi recently, was cautiously optimistic about such talks taking place in 2008.

Israeli perceptions of Iran are nuanced. Since 1979 the relationship has been conditioned by ideology on the one side and geo-political interests on the other. The channels of communications have never completely closed. Iran's support to the Palestinians and the Hezbollah has been a strategic irritant to Israel. An Iranian success in developing a nuclear weapon capability would deny Israel the regional monopoly it has in the matter. Israel has been extremely active in mobilising American opinion against Iran. On the other hand, Haaretz magazine cited on October 25, 2007 a remark by foreign minister Tzipi Livni that 'Iranian nuclear weapons do not pose an existential threat to Israel'.

Similarly nuanced are the Iranian positions on the U.S. and Israel. The Iranian proposal of May 2003 for negotiations on a package deal was rejected by the Bush Administration; it does, nevertheless, contain elements for serious consideration. Iran in 2002 had also signalled its willingness to accept a 'Malaysian profile' in return for an easing of Israeli and American efforts to isolate Iran.

So much for the periphery and the extra-regional actors. But what about the core? Why is it that all discussion on regional security in West Asia is

not primarily centred on the Arab core? Even as we live in an age of multiple identities, the peoples of the region have not yet resolved their overlapping identities and the implications of such non-resolution are visible at key historical and evolutionary junctions.

The end of European colonialism in West Asia had unleashed three sets of forces whose complex interplay sets the background for all subsequent developments in the polity and society of Arab states:

1. The first is Arab nationalism; the concept that all Arabs are one nation was very strong in the immediate aftermath of the end of European colonialism. Later, conflict on who should steer the destiny of the Arab nation has led to a conscious downplaying of Arab nationalism. Today, the concept remains a significant cultural matrix but its impact on the Arab polity has diminished.
2. The second is the creation of nation-states in the areas vacated by the erstwhile colonial powers. The systems of governance in these nation-states have varied between kingdoms, emirates, sultanates and republics. The ruling regimes of some states had access to unforeseen riches from hydrocarbon resources. The colonial masters left behind border problems and other disputes. Ruling regimes found it convenient to obtain allegiance by emphasising the interests of their nation-state over that of the Arab nation.
3. The third is Islam. In the initial stages, religious revival was sought to be fused with anti-imperialism and modern grass-roots political activism. The energies of this activism were later directed against the ruling regimes. In some cases, Islamist movements came to power, in others they were thwarted from taking power. What is undeniable is that Islamism retains significant political space in West Asia – co-opted in some regimes and hounded in others.

Political evolution, propelled by these three factors, was aided by vast changes taking place in Arab societies. Rapid urbanisation set the scene for mass indoctrination; Arab nationalism filled the lacunae until its demise in the wake of the 1967 War. Islamism readily provided a substitute. Its inherent anti-communism was looked upon with favour by the concerned Western powers. The point was proved at the time of the Soviet invasion of Afghanistan. The slogan of Jihad in terms of armed resistance was promoted by the states of the region (with some exceptions) and actively endorsed by the western powers.

To these various factors must be added the security threats, including terrorism, emanating from non-state actors in West Asia - a direct product of the political impasse mentioned above. A simplistic analysis of these is rarely rewarding. Domestic, regional, external and ideological factors combine to produce chemical reactions of varying intensity. In traditional societies sustained by a mix of religious and tribal norms, neo-patriarchy and non-participatory governance cause resentments that are subdued partially and for varying periods of time by largesse. Rapid inflow of wealth, on the other hand, brings in its wake social disruptions and awakened expectations.

Social systems also produce their anti-bodies. The youth who spent time in Afghanistan returned home Islamised and radicalised. They sought correctives from local rulers and their external friends. They found solace in traditional, religious, idiom. The rest of the story, in Algeria, Tunisia, Egypt, and eventually in Jordan and Saudi Arabia is too well known to bear repetition. Iraq added its share in ample measure.

Islamism is an ideology of protest, and of change. Apart from slogans, it has little by way of a programme of social reconstruction. Suppression without other correctives, however, gives it a lease of life.

It is time to wind up. Diagnosis and commentary on the first and the second questions inevitably propel us towards the third. The correctives are suggested by the diagnosis itself.

The question is of the will to undertake it. Simple logic, however, is not synonymous with state logic!

Thank you.



413. Address by Special Envoy of the Prime Minister for West Asia and Middle East Peace Process C.R. Gharekhan at the concluding session of the International Conference on West Asia convened by the Observer Research Foundation.

New Delhi, November 22, 2007.

India has a deep and abiding interest in West Asia. Our links with the region literally go back to millennia, and pre-date, by many centuries, the discovery of oil. It would not be out of place to point out that the interests and policies of the rest of the world in West Asia are motivated, if not solely, then certainly largely, by the existence of two-thirds of the hydrocarbon reserves of the world in the region. But for us in India, West Asia has been and continues to remain a part of our extended neighbourhood.

2. I am not suggesting for a moment that oil, or energy is not of importance to India. Indeed, we obtain 70% of our energy imports from the countries of West Asia. In the years to come, this proportion will only increase. We have other interests also in the region. About 4.5 million Indians are working there, in other countries bordering the Gulf. They are making significant contribution to the growth and development of those countries. They send remittances back home to their families amounting to nearly \$20 billion per annum, thereby generating employment and prosperity in different parts of India. We have increasing economic and commercial relations which are in genuine mutual interest of all the parties. Investment from the countries of the region in India has steadily increased, though there is undoubted scope for considerable expansion in this area. A comparatively new phenomenon, which is to be welcomed, is the increasing interest shown by Indian capital to invest in the region.
3. On the political side, the issue of primary concern to the people of India as well as to successive Governments has been the struggle of the Palestinian people to achieve their legitimate national aspirations. As a country which fought against colonial occupation for several decades, it was natural for India to empathize and support the desire of the Palestinian people for an independent State of their own. Mahatma Gandhi said to a delegation of Jewish leaders a quarter of a century ago : "Palestine is for the Palestinian people just

as France is for the French people and England is for the English people". Please note that Gandhiji did not say that Palestine is for the Muslims or even for the Arabs; he wisely used the words "Palestinian people", thereby clearly implying that Palestine should belong to those who lived on the Palestinian soil, without distinction based on race or religion.

4. Life, like rivers, does not stand still. The world has moved on since Mahatma Gandhi's meeting with Jewish leaders in London in 1931. The State of Israel has come into existence and is very much a fact of international life. Whatever the circumstances surrounding its birth, Israel is entitled to be accepted as a full member of the international community, with the right to live in peace and good neighbourly relations with its neighbours within secure and recognized borders. It goes without saying that this will happen once, and as soon as, it resolves all its problems with its neighbours in a just and equitable manner.
5. Concomitant to interests, India also has concerns in the region. Our foremost concern obviously is for the safety, well-being and welfare of our citizens who are working there. We are also concerned at the increased and increasing volatility and radicalization in the region. In recent years, West Asia has emerged as one of the two most important breeding grounds of terrorism. It is not only the markets and telecommunications which have been globalized; so has terrorism. Indeed, the globalization of telecommunications has facilitated the growth of global terrorism. India, being next door to West Asia, has every reason to feel worried and concerned.
6. Yet another area of major concern is the growing tension between the Sunni and Shia Muslims. The Shia-Sunni divide, which has been acute in neighbouring Pakistan for several decades, has been accentuated by the events following the American intervention in Iraq in 2003. Whether we call the situation in Iraq by its proper description as a civil war or not, the sectarian divide in that unfortunate country is here to stay for a long time. India, with the second largest Muslim population in the world, having a significant proportion of Shias, is understandably concerned. We have had a healthy tradition of Muslims of all denominations living peacefully and happily together. We must not and will not permit external influences to vitiate this harmonious atmosphere, but for that we shall have to remain vigilant.

7. It is, therefore, of the utmost importance to India that the problems of West Asia be resolved as early as possible. The irony, indeed the tragedy, is that West Asia is a problem waiting to be resolved. The elements needed to settle the various issues are well known to all concerned. What is required is political vision and statesmanship on the part of the leaders, the will and determination to offer and accept mutual concessions as well as the willingness of the international community to provide such political and material assistance as might be needed by the parties. This is true of the entire Arab-Israeli conflict. Iraq is in a different category, more complex and more difficult, but nevertheless deserving of the utmost attention of the international community. Recent weeks have witnessed welcome signs of USA and Iran engaging each other in a dialogue on the Iraqi situation. Secretary Rice has had conversations, however brief, with the Syrian Foreign Minister. This approach needs to be maintained.
8. Let me deal with the Arab-Israeli situation. The broad outlines for a settlement have been laid down in United Nations Security Council Resolutions 242 and 338. The core issue, of course, is the question of Palestine. Here again, the parameters are well known. Israel must end its occupation and withdraw from the territories it occupied in 1967. In practical terms, what this amounts to is that Israel should make available to the future Palestine State an area of the same size as the whole of the occupied West Bank. This principle, I believe, is broadly accepted by both sides. The Palestinian leadership is realistic enough to recognize that Israel simply will not give up the land on which some of its large settlement blocks have been built. At the same time, Israel will also have to accept that, in return for the West Bank territory that they wish to absorb in Israel, they will have to yield an equivalent area from somewhere else to the Palestinian State.
9. Similarly, there are formulae for tackling the refugee problem, perhaps the most emotional of the six issues between the Israeli and Palestinian sides. The Palestinian leadership will be loath to formally give up "the right of return", offered to the refugees in United Nations Resolution 194. At the same time, no Israeli leadership of any political persuasion will ever acknowledge or agree to the return of over 4 million Palestinian refugees to Israel proper. One has reason to expect that it is not beyond the bounds of human ingenuity to evolve a mutually acceptable formula on this issue.

10. Jerusalem is yet another emotional and complex issue. It has an added complicating factor, in that Jerusalem has enormous significance for followers of three major religions. The Palestinian leadership, in particular, has to take into account the feelings of the Muslim community throughout the world. Highly creative minds on both sides have worked for the last two decades to find a solution. Any solution to the question of Jerusalem will not satisfy all the peoples on both sides. It will need courage and statesmanship for the leaders on the two sides to try and reach an agreement on all these questions. So long as the eventual agreement is broadly acceptable to the public opinion, in Israel as also in Palestine, I am confident that such courage and determination will be forthcoming.
11. It might be appropriate at this stage to refer to the forthcoming conference in Annapolis, USA. The very fact that the conference is being convened would suggest that adequate common ground has been achieved between the two sides during their pre-negotiations, bilateral as well as with the active participation and involvement of the American Secretary of State Ms. Condoleezza Rice, for the American government to feel encouraged enough to issue the invitations. President Abbas as well as the Arab States were understandably reluctant to attend the meeting if it was going to turn out to be merely another photo opportunity occasion. The Palestinians would like the Annapolis meeting to be a genuine launching pad for intensive, meaningful and well-directed negotiations, covering all aspects, to be concluded within a definite timeframe. The Israeli Prime Minister, from several accounts, seems to want to engage in purposeful negotiations with President Abbas, in whom he says he has a credible negotiating partner. President Abbas told me a few weeks ago that he too finds Mr. Olmert a valid negotiating partner. I am personally convinced that President Abbas is committed to finding a reasonable settlement and will not shy away from reaching an agreement if he is genuinely satisfied about its reasonableness, even if it will not meet all the demands of the Palestinian people. It is of the utmost importance that the Annapolis meeting not fail or be perceived to fail by either side. Yet another failure would have negative consequences and would greatly strengthen the extremist and radical forces.

India has been invited to the Annapolis conference and looks forward to its participation in it.

12. Syria's dispute with Israel should, on paper, be even easier to be resolved. Israel clearly has to vacate the Golan Heights. Israel knows and acknowledges this fact. Indeed, Israel and Syria came tantalizingly close to a solution a few years ago. The technological advances during the past four decades have rendered less valid Israel's earlier security concerns. In any case, whatever concerns Israel might have can easily be taken care of through mutual negotiations, and with the help of technology.
13. There are influential voices in Israel in favour of starting negotiations with Syria. Reports in Israeli media, including respectable newspapers such as Haaretz, revealed secret contacts between the two sides some months ago. It was also reported that President Bush was not in favour of Israel reopening a dialogue with Syria. Whatever the truth behind all these reports, I remain convinced that the Syrian-Israeli question will have to be tackled sooner rather than later. As they say, no war in West Asia can take place without the involvement of Egypt and there can be no solution to the West Asia problem without Syria being a part of it. The Syrians have declared repeatedly that they are anxious to become a part of the solution; they should be tried out.
14. Of the three situations – Palestine, Syria and Lebanon – Lebanon at the moment is the most worrisome. That hapless country has been buffeted between opposing forces, many of them coming from outside the country. Lebanon emerged from the disastrous 14 year long civil war in 1988, bruised and battered. The late Prime Minister Rafiq Hariri performed a marvelous job in rebuilding Lebanon and restoring to it the unique privilege of being a genuine democracy and the freest country in the region. His tragic assassination on 14th February 2005 has unleashed forces which have once again led the country on the verge of another civil war. Left to themselves, the Lebanese people, I am convinced, would resolve the differences through their own genius. Today, the 22nd of November, is the National Day of Lebanon. Can there be a greater misfortune for a country not to be able to celebrate its independence anniversary?
15. Israel's second war on Lebanon in July-August 2006 caused immense damage to Lebanon in terms of lives lost and properties destroyed. But, perhaps more significantly, it caused a serious dent in the prestige of Israeli defence forces. The second Lebanon war has led

to lot of introspection within Israel and the report of the Winograd Enquiry Commission has been damaging for Prime Minister Olmert and for the senior most echelon of Israeli army. It is entirely possible that Hamas, the Islamist movement which took over Gaza Strip in June 2007, has felt emboldened by what has been widely perceived as the success of Hezbollah in Southern Lebanon last year. Israel's border with Lebanon has been largely settled. There remains a small area of about 25 sq. kms. known as Sheba Farms, which is still under contention and which Israel occupies. Since both Lebanon and Syria agree that the Sheba Farms belong to Lebanon, it should be easy to settle this issue at an early stage, thus removing the last remaining obstacle to the normalization of Israeli-Lebanon relations.

16. The two biggest beneficiaries of the recent developments in West Asia have been the forces of extremism, and Iran. I have already dealt with the former. As for Iran, it has now become a most significant player in the region. Its influence in Iraq is evident. Its capacity to contribute to an improvement in the security situation in Iraq has been amply demonstrated by the decision of Moqtada Sadr to order a ceasefire for six months. The present comparatively reduced level of violence in Iraq is a result of the restraint exercised by the Mahdi army and it would be premature to read too much into it.
17. Iran has become a factor to reckon with also in the Palestinian situation. Israel's concern at the firing of mortars into Israel from the Gaza Strip is understandable. However, according to Amos Harel, a well known Israeli journalist, the Israeli defence forces' tactical advantage over Hamas in Gaza is shrinking. According to him, the efforts by Iran and Hezbollah to improve Hamas' military capability are beginning to be felt. Let us also not forget that the senior leader of Hamas, Khaled Meshal, lives in Damascus. The Palestinians, including Hamas, have always been known for their secular approach. They have never subscribed to fundamentalist ideology. It is indeed sad and extremely disconcerting that fundamentalism in the form of Al Qaida has acquired a foothold in the Palestinian society. In the words of Danny Rubinstein, a highly respected Israeli columnist, it is not only the Palestinians who will pay the price for this, but also Israel, which did not want Hamas and is getting Al Qaida. Sometimes, one has to think of the unthinkable. The international community must deliberate about the role of Hamas. Assuming, in the best of circumstances, that the projected meeting in Annapolis leads to a

serious negotiating process and to an agreed package at the end of it, President Abbas is on record as saying that he will submit any such result to a public referendum. It would not be prudent to dismiss Hamas as an insignificant factor while assessing the likely outcome of such a referendum.

18. The Hon'ble Vice President, in his inaugural address yesterday, eloquently analyzed the situation concerning Iran and the triangular relationship between Iran, Israel and USA. As far as India is concerned, we firmly believe that the problem arising out of Iran's nuclear programme must be dealt with on the basis of Iran's rights, and obligations, under the Nuclear Non-Proliferation Treaty to which Iran is a party. We believe that the solution must be found only through peaceful, diplomatic means.
19. The international community has consistently advocated a comprehensive, just and lasting solution to the Arab-Israeli question. The logic behind this position was, and is, that a piecemeal effort to settle one dispute in isolation would not succeed, since no Arab government would like to appear to be arriving at a settlement with Israel on its own for political reasons. In actual practice, some Arab States have concluded separate peace treaties with Israel, as indeed they had every right to do. It is the primary duty of a State to protect and promote its own interests. For the remaining Arab-Israeli questions, the Arab side has come up with a constructive initiative which was originally advocated by the then Crown Prince and the present King of Saudi Arabia and which was re-launched by the Arab League in March this year. The Arab offer, in its essence, is: full normalization with Israel by all Arab countries in return for full withdrawal by Israel from all occupied territories. The principle behind this Arab initiative is unexceptionable. There are many in Israel including the Prime Minister and the Foreign Minister who find positive elements in the Arab initiative. India supports and welcomes the Arab initiative. Politics, however, is the art of the possible. While it would be ideal to settle all the remaining Arab-Israeli questions at one go, nobody would object, and most would be happy if one of the issues gets resolved first. In this sense, should the Annapolis meeting lay down a firm groundwork for serious negotiations on the Israeli-Palestinian track, it would constitute a most significant step towards calming the troubled waters in the West Asian region.

20. Ambassador Rasgotra, in his welcoming remarks yesterday, posed a question about India's role in West Asia. I am sure the participants have had occasion and opportunity to exchange views about this matter. We in India get easily flattered when a non-Indian pays us a compliment. During my visits to the capitals in West Asia, my interlocutors have invariably been generous in speaking highly of the role that India can play in the region. When pressed, they are understandably less specific than one would like. Nevertheless, I am convinced that India, with its close ties with all the parties and countries including Israel as well as Iran, is well placed to offer its good offices in the search for a peaceful solution to the various crises in the region. Additionally, India is perhaps a unique country with a fully functioning democracy, a multi-religious, multi-ethnic and multi-lingual pluralist society, with an enviable record of all sections of society living in harmony and prosperity with one another. India thus could provide a model to the societies in West Asia. Indeed, this possible role of a model has been emphasized to me by leaders in responsible positions in my conversations with them. It is in this spirit that India will participate in the Annapolis conference next week.



414. Statement by Minister of Science and Technology and Earth Sciences Kapil Sibal at the Conference to promote Arab-Israeli peace.

Annapolis, November 27, 2007.

India applauds the Joint Understanding reached by the President of Palestine Mr. Mahmoud Abbas and Prime Minister of Israel Mr. Ehud Olmert in Annapolis to launch vigorous, ongoing and continuing bilateral negotiations over the coming weeks and months to arrive at a negotiated solution of the core issues that will lead to the establishment of an independent, democratic and viable Palestinian State, living side by side in mutual peace and prosperity with the State of Israel. It proceeds on the assumption that violence and engagement are mutually incompatible. The President and Secretary of State of the United States have made a signal contribution to facilitate this historic agreement. We pay rich tribute to the courage, wisdom and statesmanship displayed by the Palestinian and Israeli leaderships to take risks in the cause of a just and lasting peace between two peoples who though divided by many complex and emotive issues are nevertheless joined by common geography and history.

It has been repeatedly emphasized in the Joint Understanding that the negotiations will be bilateral between the parties. This is as it should be. However, at the specific request by the parties, the United States has agreed to assist them in the monitoring and judging the fulfillment of the commitments undertaken by both sides of the road map. This should reassure the parties and help in creating an atmosphere of confidence. No one realizes better than the two parties themselves how difficult the road ahead will be. Even with the best of intentions, it will require unprecedented determination, goodwill and capacity to offer and accept compromises and concessions, on both sides, if the objective enshrined in this Joint Understanding is to be achieved. In this noble endeavour the parties have declared that they need continuing encouragement and support from the international community. India is ready to play its due role in this collective endeavour to strengthen the forces of peace and stability in the region.

We note with satisfaction that the Middle-East Peace Process will address the unfinished agenda on the Lebanon and Syria tracks. The Arab Peace Initiative, re-launched in Saudi Arabia in March this year, provides a constructive framework for achieving such a comprehensive peace.

India's support to the Palestinian cause can be traced to the days of our

freedom struggle. This support has not wavered. We recognized the PLO as the representative of the Palestinian people in 1975 and were one of the first countries to recognize the State of Palestine in 1988.

India recognized the State of Israel soon after its creation. With the establishment of full diplomatic relations in 1992, we have developed close and friendly relations with Israel.

Madam Chairperson, on behalf of the Government of India, I would like to convey our deep appreciation for the invitation to attend this conference. West Asia is part of India's extended neighbourhood with which we have had a close interaction over millennia. Consequently, we have deep interest in peace and stability in the region.



415. Statement by Minister of State E. Ahamed on Agenda item: 17 & 18 “The Situation In The Middle East” & “Question of Palestine”. in the UNGA.

New York, November 30, 2007.

Mr. President,

I thank you for scheduling this discussion on an important subject that requires our collective attention to an extent that almost nothing else does: the Question of Palestine, set in the larger context of the situation in the Middle East. This discussion is particularly appropriately timed, as it follows the International Day of Solidarity with the Palestinian people yesterday, and the international conference hosted at Annapolis earlier this week.

Mr. President,

India has traditionally followed with close concern the developments in this volatile region. Our delegation has perused with attention the reports of the Secretary-General on the Situation in the Middle East and on the Peaceful Settlement of the Question of Palestine. We have watched with concern as border restrictions, economic sanctions and a restrictive access regime had brought the Palestinian economy to the verge of collapse. We have viewed with alarm the continued vicious circle of attacks, reprisal and counter-attacks, the worsening humanitarian and security situation in Gaza following developments in June this year, as well as the continued violence

inflicted on innocent civilians. Moreover, the continued expansion of Israeli settlements in the Occupied Territories, and the relentless construction of the separation wall threaten to create new facts on the ground and fresh grievances in an old conflict. The unresolved issues of last year's summer war in Lebanon, and the long-pending question of the occupation of the Syrian Golan add to a sense of frustration and desperation. All these issues have the potential of exacting an immediate and a long-term impact on the lives of the people, potentially contributing more fuel to an already combustible situation.

It is for this reason that India has consistently urged all concerned to eschew violence and exercise restraint at each of the all-too-frequent instances when violence has broken out, exacerbating sufferings and misery in the region. It is in the interest of the entire international community that a comprehensive and peaceful solution is found at the earliest to the problems besetting the Middle East.

Mr. President,

For India, commitment to the Palestinian cause has been a bedrock of its foreign policy since even before our independence. India's solidarity with the Palestinian people and its attitude to the Palestinian question was inspired by its own freedom struggle led by Mahatma Gandhi. In the early years of independent India, this policy was consolidated under the leadership of our first Prime Minister Pandit Jawaharlal Nehru. In November 1947, India voted against the partition of Palestine at the UN General Assembly. As early as in 1975, India recognised the PLO as the sole representative of the Palestinian people. In 1988, it recognised Palestinian statehood and in 1996 India opened its Representative Office to the State of Palestine.

I had the singular honour of having had a most memorable meeting with late President Yasser Arafat in September 2004, at Ramallah, at which I had the opportunity to express India's solidarity with the Palestinian people and support for their cause. In fact, India's empathy with the Palestinian cause and its friendship with the people of Palestine constitutes an integral and time-tested part of our foreign policy. I salute the indomitable spirit of the Palestinian people and reaffirm India's consistent, principled and unwavering support to their cause and their just struggle for a sovereign and independent State of Palestine.

Mr. President,

It is widely recognized that the Middle East conflict is essentially political in

nature and therefore cannot be resolved by force. India has consistently called upon all parties in the region to fully cooperate with the efforts of the international community in this regard. We have supported the resumption of direct negotiations between the leaders of Palestine and Israel and the establishment through peaceful negotiations of a sovereign, independent and viable State of Palestine, living side by side and in the shadow of peace with the State of Israel. We have supported the Quartet Road-Map and the Arab Peace Initiative. We have also called for comprehensive peace and stability in the region and supported the early resumption of dialogue on the Israel-Lebanon and Israel-Syria tracks. These issues must equally be addressed in order to attain a comprehensive and durable peace in the region.

Mr. President,

It is against this backdrop that India welcomes the Joint Understanding reached by the President of Palestine and the Prime Minister of Israel earlier this week at Annapolis. In particular, India welcomes the direct dialogue between the leaders of Palestine and Israel and looks forward to an early and peaceful resolution of all issues between the two states and peoples. It is also satisfying that the Middle East Peace Process will address the remaining issues on the Israel-Lebanon and Israel-Syria tracks; we believe that the Arab Peace Initiative re-launched at the Arab Summit in Riyadh, Saudi Arabia, in March this year provides a constructive framework to achieve such a comprehensive peace. We hope that post-Annapolis developments will proceed down a path that will enable a negotiated solution of the core issues, leading to the establishment of a sovereign, independent and viable State of Palestine, living side by side and in peaceful co-existence with the State of Israel.

Mr. President,

Given the complexity of this task, unprecedented determination, goodwill and capacity to offer and accept compromises and concessions are needed on all sides. It is here that the members of the international community have a collective duty to help in creating a favourable environment within which the principals can take forward the negotiations. India is ready to play a supportive role in this collective endeavour to achieve a just and comprehensive peace in the Middle East.

Thank you, Mr. President.



AZERBAIJAN

416. Press Release of the Ministry of Commerce on the visit of Minister of State for Commerce to Azerbaijan.

New Delhi: April 15, 2007

India and Azerbaijan have agreed to cooperate in several areas including oil & gas sector and Indian companies are set to play a greater role in the development of Azerbaijan's rapidly expanding oil and gas industry. This was the result of a meeting last week between the President of Azerbaijan, Mr. Ilham Aliyev and the visiting Minister of State for Commerce, Shri Jairam Ramesh at Baku. At the end of a 45-minute discussion, Mr. Aliyev consented to ONGC Videsh and SOCAR, the state-owned oil and gas exploration company of Azerbaijan starting talks for cooperation for ONGC Videsh's investments in hydrocarbon-rich Azerbaijan.

ONGC Videsh has already invested close to \$ 5 billion in 15 countries around the world, half of which is in Russia alone and that ONGC Videsh has much to offer to Azerbaijan, particularly in fields where production is declining. Mr. Aliyev sought India's assistance in enhanced oil recovery and deep sea drilling. Shri Ramesh also offered GAIL's expertise in gas-based petrochemicals and city-gas distribution. To begin with, ONGC Videsh and GAIL will participate in the Caspian Sea Oil and Gas Exhibition being held in Baku, June 3-4, 2007. Shri Ramesh also briefed the President of India's interests in exploring for gold in Azerbaijan, particularly since India is now the world's largest importer of gold. MMTC and NMDC will work with their Azerbaijani counterparts to identify specific areas where prospecting and appraisal work can be undertaken.

Mr. Aliyev also expressed deep appreciation for India's offer to help establish a centre for education and training in IT in Baku. The President agreed with the observations made by Shri Ramesh that India's great strength lies in skills training and human resource development, particularly in management, law and science and technology. Of the 100 Azeri students who are to be sent abroad for higher education this year, it is expected that 20 will come to India.

Shri Ramesh also offered India's assistance in tapping the high wind energy potential in Azerbaijan. The Minister informed the Azerbaijan President that Indian companies like Vestas and Suzlon have become globally

prominent and already about 4500 MW of wind energy capacity has been established in India. Azerbaijan President and other leaders also expressed hope that Indian pharmaceutical companies would consider moving beyond distribution and set up manufacturing facilities in Azerbaijan.

During his visit, Shri Jairam Ramesh and Mr. Haiyder Babayev, the Minister for Economic Development of Azerbaijan also signed an agreement that sets up a Joint Intergovernmental Commission on Trade, Investment and Economic Cooperation. The Agreement, which has been on the anvil for almost five years, is expected to provide a fillip to both commercial and cultural exchanges between the two countries. India has also offered technical assistance to Azerbaijan to facilitate its entry into the WTO. Meanwhile, President Aliyev accepted the invitation from Shri Ramesh to visit India at the earliest.



BAHRAIN

417. Briefing Points by Official Spokesperson on the visit of Crown Prince and Commander-in-Chief of the Bahrain Defence Force Shaikh Salaman Bin Hamad Al-Khalifa.

New Delhi, March 20, 2007.

- U EAM Pranab Mukherjee called on Crown Prince. Meeting lasted about half an hour. They discussed matters of regional importance as well as bilateral issues, in particular, India-Bahrain economic cooperation and technological cooperation in high technology areas.
- U Minister of Overseas Indian Affairs, Shri Vayalar Ravi also called on Crown Prince. During the meeting Crown Prince briefed the Minister for Overseas Indian Affairs on the special reforms being undertaken by Bahrain in the labour sector to increase productivity and improved conditions for workers from other countries.
- U Crown Prince also called on the President and during the discussions, the two leaders shared their vision of India and Bahrain in the year 2020. Crown Prince would also hold a meeting with the Vice President and the Prime Minister later this evening. MOS(EA) also called on the Crown Prince and discussed bilateral, political and economic relations between the two countries.



418. Joint Statement issued at the end of the visit of the Crown Prince and Commander-in-Chief of Bahrain Defence Force Shaikh Salman bin Hamad Al-Khalifa.

New Delhi, March 22, 2007.

The Crown Prince of the Kingdom of Bahrain His Highness Shaikh Salman bin Hamad Al Khalifa, paid an official visit to India between 19 and 22 March 2007 at the invitation of the Vice-President of India, His Excellency, Shri Bhairon Singh Shekhawat.

During the visit, His Highness the Crown Prince called on the President of India His Excellency Dr. A.P.J. Abdul Kalam, the Vice President of India, His Excellency Shri Bhairon Singh Shekhawat and the Prime Minister of India, His Excellency Dr. Manmohan Singh. The External Affairs Minister, His Excellency Shri Pranab Mukherjee, the Minister of Overseas Indian Affairs, His Excellency Shri Vayalar Ravi and the Minister of State for External Affairs, His Excellency Shri E. Ahamed called on His Highness the Crown Prince.

In the discussions during the meetings, the leaders of the two countries recalled the historical ties between India and Bahrain and noted the mutually beneficial and traditionally warm friendship which has existed between the peoples of the two countries. They stressed the need for diversifying and consolidating this relationship and in that context, warmly welcomed the opening of the Embassy of Bahrain in New Delhi on 21st March 2007, which will help strengthen bilateral relations during the 21st century.

The two sides welcomed the conclusion of two agreements during the visit of His Highness the Crown Prince to India. These are:

1. Executive Programme for Cultural Cooperation (2007-2010)
2. Memorandum of Cooperation between Prasar Bharati and Bahrain Radio and TV Corporation

They noted with satisfaction the steady progress made in the bilateral economic and technical cooperation between the two countries and expressed with confidence that the considerable potential which exists would be fully utilized to mutual benefit. To achieve this it was agreed that high level exchanges between India and Bahrain would be intensified. The India-Bahrain Joint Committee for Economic and Technical Cooperation would

hold its next session in Bahrain in the second half of 2007 to follow-up on the mutually identified areas.

In New Delhi, His Highness the Crown Prince addressed the Indian Council of World Affairs as well as a luncheon meeting of Captains of Indian Industry drawn from the ASSOCHAM, CII and FICCI. Besides Agra, His Highness the Crown Prince also visited Mumbai where the accompanying business delegation met their counterparts.

The Bahraini side appreciated the role and contribution of the Indian community for the development and progress of the Kingdom of Bahrain. The Indian leaders expressed their appreciation for the care and favorable environment provided by the Kingdom of Bahrain for the Indian community. The Bahraini side briefed the Indian side on the proposed reform in labour laws, which would protect the interest of skilled and unskilled expatriate labour in Bahrain.

The two sides denounced terrorism in all its forms and manifestations and reaffirmed their intention to strengthen their cooperation in combating terrorism at the bilateral level and within the multilateral system of the United Nations. The two sides while discussing the regional situation emphasized the importance of dialogue and negotiations in a peaceful environment to solve all issues of concern.

The leaders of the two countries agreed that regular exchanges of high level visits between India and Bahrain would help sustain the momentum of bilateral relations. His Highness Shaikh Salman bin Hamad Al Khalifa, Crown Prince and Commander in Chief of the Bahrain Defence Force thanked the President, the Vice-President and the Prime Minister of India for their hospitality.



EGYPT

419. Press Release issued by the Ministry of External Affairs on the 7th Round of Indo-Egypt Foreign Office Consultations.

New Delhi, June 26, 2007.

India and Egypt held the 7th round of Foreign Office Consultations in New Delhi on 22nd June 2007. Shri N. Ravi, Secretary(East) led the Indian side and H.E. Mr. Shawky Ismail, Assistant Minister for Asian Affairs led the Egyptian side. The two sides expressed satisfaction at the progress in cooperation in various bilateral sectors, high level exchange of visits and impressive growth in the trade between the two countries. The two sides expressed satisfaction at the successful culmination of discussions on Consular Agreements between the two countries. The two sides also discussed various regional and international issues including the developments in the West Asia, North Africa and the Middle East. India reiterated its consistent support for the Palestinian cause and called for early resumption of negotiations of the Middle East Peace Process.

H.E. Mr. Shawky Ismail called on the External Affairs Minister and handed over a letter to him from the Egyptian Foreign Minister. He also held discussions with Shri E. Ahamed, MOS and Special Envoy for West Asia and the Middle East Shri C.R.Gharekhan.



IRAN

420. Statement by External Affairs Minister Pranab Mukherjee on arrival in Tehran.

Tehran, February 6, 2007.

I am glad to be in Iran. I look forward to the opportunity of meeting the leaders of this great country and exchange views. I bring the greetings and good wishes of the people of India for the progress and happiness of the friendly people of Iran.

India and Iran share traditional bonds rooted in time and eloquently reflected in the historical records of both these countries. We are neighbours with deep civilizational, cultural and people-to-people talks. India attaches great importance to its relations with Iran. We remain committed to imparting this relationship greater substance and strategic content.

Our good relations are to the benefit of not only both these two countries but also to the entire region. I am confident that this visit and my interaction with the leadership of Iran will further strengthen our relationship¹.



1. The visit of EAM took place amidst rising tensions in the Persian Gulf following the deployment of a second American aircraft carrier group in the region. Mr. Mukherjee speaking to reporters on arrival declared India's opposition to the use of force as a means of resolving the Iranian nuclear issue. He said the escalating tension over Iran's nuclear programme had to be defused "through dialogue and discussion." India, he said, "has all along stated that military means is not a solution. The solution has to be found only through dialogue, howsoever strenuous it may be." Mr. Mukherjee said it was important for the Iranian leadership to keep international opinion in view, [particularly that of] the International Atomic Energy Agency. "Our advice is that there should not be any further escalation of tension." "Like any other country, Iran too has the right to carry on a peaceful civilian nuclear energy programme," the Minister said. "They are also a signatory to the Nuclear Non-proliferation Treaty, so they have certain obligations under that treaty. Therefore, our position is that the issue should be resolved through dialogue. It cannot be resolved through coercive methods." On energy-related issues, apart from the Iran-Pakistan-India pipeline, Mr. Mukherjee said he was hoping to help bridge the differences that had emerged over the 5 million tonnes of LNG that Iran had agreed in 2005 to export annually to India. Since the contract was signed, the world price of oil has risen well beyond the ceiling envisaged by the gas pricing formula contained in the 2005 agreement. Though India insists that the agreed price is binding, Iran argues that the agreement was never ratified by the competent higher body as required by Iranian domestic law and that the sale price has to be revised upwards and submitted to majlis (Parliament) for approval. Asked about U.N. sanctions against Iran EAM said the U.N.SC resolution 1737 passed last December "does not cover any of our proposed areas of cooperation."

421. Statement by External Affairs Minister Pranab Mukherjee at the Joint Press Interaction with Iranian Foreign Minister Mottaki.

Tehran, February 7, 2007.

I am happy to be here in Iran. I am grateful to H.E. Mr. Mottaki for the warm welcome to me and my delegation. India and Iran are two neighboring civilizations whose ties have withstood the vagaries of time. The cultural bonds between our two countries find expression in the lives of our peoples and in the monuments and records that are our common inheritance.

His Excellency Mr. Mottaki was in India in November last year. Our discussion today on various aspects of our excellent bilateral relations were in continuation of the free and frank exchanges we had during his visit. We reviewed the progress on various agenda items of the Joint Commission and laid stress on implementation of decisions taken by the two sides. In this regard, we placed particular emphasis on early conclusion of negotiations for signing of Bilateral Investment Protection and Promotion Agreement and the Double Taxation Avoidance Agreement.

Our bilateral trade, valued at over six billion dollars, is growing and these agreements will generate greater confidence among the private sector of the two countries, which are increasingly driving the bilateral commercial relations. We also discussed issues related to energy and transit opportunities for our companies. Iran is a very important producer of hydrocarbons and we are a major consumer. There could be mutually beneficial long-term arrangements, including our agreement on supply of LNG or the proposed Iran-Pakistan-India gas pipeline project¹. We also

1. Later on March 26, Mr. Mukherjee was more categorical on the supply of gas from Iran. In an interview to a TV channel, the External Affairs Minister said that India intended to go ahead with a multi-billion dollar gas pipeline from Iran via Pakistan despite objections from the United States (His reference was to the visit of US Energy Secretary Samuel Bodman who urged New Delhi to drop the plan for a gas pipeline). "Talks on this pipeline are going on. When I was in Iran, I had categorically mentioned that we are interested in having this pipeline," Mr. Mukherjee said. "Now negotiations are going on about the price," said EAM.

On June 18 the Petroleum Minister Murli Deora indicated that an agreement on construction of the \$7 billion India-Pakistan-Iran gas pipeline was likely by mid-July. He indicated the scheduled bilateral talks between India and Pakistan before the trilateral talks with Iran. He said discussions were on with Iran and Pakistan on prices and how the pipeline would be brought to India. Snags however developed as Iran insisted on

adding a clause in the agreement for revision of price periodically. At the June 28 tripartite meeting in New Delhi Iran sought a last minute change in the agreement on pricing of gas to be supplied through the \$ 7.4 billion pipeline. Tehran insisted on price revision every three years based on international fuel prices and energy mix, a stipulation that was opposed both by India and Pakistan. India and Pakistan had agreed on the price formula proposed by Iran, according to which gas would be priced at \$ 4.93 per million British thermal unit, and wanted it to remain the basis of pricing of natural gas for the entire 25-year duration of the supply contract. Meanwhile India and Pakistan reached an agreement on the principle of computing the transportation charges payable to Islamabad for wheeling the gas through the 1,050-km section of the pipeline in that country. But the issue of transit fee, payable to Islamabad for allowing passage of the pipeline to India, was not resolved as the officials decided the issue may be best left for the political leadership to discuss. While the transportation tariff was purely an economic issue related to the cost involved in transmission of gas, transit fee was more of a political goodwill issue and the charges, many times waived, depend on agreement between the nations.

In September India decided to skip the trilateral secretary level talks in Tehran on the pipeline project, because of Iranian insistence on price revision formula being accepted for sale of gas. "I think if the price of the gas is agreed upon, the pipeline will become a reality," Finance Minister P. Chidambaram said at an interactive session at the Peterson Institute for International Economics in Washington on the eve of the trilateral meeting in Tehran on September 27. Mr. Chidambaram said Salman Shah, adviser to the Pakistan Prime Minister, visited India three weeks ago and affirmed that Islamabad was committed to the pipeline. Mr. Chidambaram was critical of countries opposing the project. "We are disappointed that some country should advise us against the pipeline for other geopolitical reasons. We think that if Iran has gas, if India needs gas and Pakistan needs gas, there is nothing wrong in having an Iran-Pakistan-India gas pipeline."

On 30th August Government informed the Lok Sabha that there was no agreement yet on the transit fees payable to Pakistan for the passage of natural gas through that country. In a written reply to a question in the Lok Sabha, Petroleum and Natural Gas Minister Murli Deora said the issue was discussed during the fifth India-Pakistan Joint Working Group (JWG) meeting in June. Giving the background of the issue Mr. Deora said while it was agreed upon that the charge should be based on the cost of service to be achieved through international competitive bidding, there was no agreement. India had been pursuing the import of natural gas from Iran through the Iran-Pakistan-India gas pipeline. For this, two secretary-level joint working groups had been set up with Pakistan and Iran. Three meetings of the India-Iran Special JWG were held while the India-Pakistan JWG had met five times. The tripartite JWG of Iran, Pakistan and India was also functional and had met 6 times. At the fourth tripartite meeting held in Tehran on January 24 and 25, a formula regarding the pricing of gas on the Iran-Pakistan border was agreed upon between the Iran and Pakistan sides, subject to approval from their governments. The Indian side agreed to respond to the pricing formula and conveyed to Iran that the total price payable for the gas on the India-Pakistan border would also depend on transportation cost and transit fees payable to Pakistan. As there was no clarity on these, it was not possible for India to decide on the final price, the Minister said. Subsequently, Iran demanded introduction of a provision for price revision at the fifth tripartite Joint Working Group meeting at Tehran in May, to which both India and Pakistan disagreed. At the sixth tripartite meeting, the gas price review clause was inter alia discussed and it was decided to carry forward the discussions to the next round of meetings, Mr. Deora said. Pakistan in the meantime has been keen that transit fee issue was sorted out and India could be roped in the pipeline project. On October 18 Pakistan Petroleum Secretary Farrakh Qayyum had invited India for talks on the transit fees but the talks were yet to

stressed on further strengthening the cultural and people-to-people links that would continue to be the bedrock of our relations.

We also discussed the nuclear issue. We believe that the Iranian nuclear issue should be resolved peacefully and through dialogue and negotiation. The IAEA should play a central role in resolving the outstanding issues. A peaceful negotiated solution would be facilitated by enhanced cooperation

take place. Meanwhile on October 25 US Under Secretary of Treasury for International Affairs David McCormick said: "with regard to the Iran pipeline issue...we are hopeful that India won't move forward on this." Media quoting un-named official sources in New Delhi said that New Delhi and Islamabad had reached a broad understanding on the transportation tariff payable to Pakistan for wheeling natural gas through the 1,035 - Km pipeline segment in that country. What remains to be sorted out is the transit cost payable to Pakistan for allowing usage of its territory for the passage of the pipeline to India. Meanwhile Iran and Pakistan finalised their gas pipeline contract on November 10th. It now sets the stage for the signature of the multi-billion dollar deal India opting out of the last few rounds of the official-level dialogue. "We faced no obstacle during negotiations and all articles of the peace pipeline contract were smoothly restudied," Mr. Ahmed said. The Pakistani adviser said the two sides were now working on an annexure that would be added to the contract in one month. Iran's chief negotiator on the IPI gas pipeline Hojjatollah Ghanimifard said the annexure would include an "operational agreement." This would revolve around technical issues such as gas pressure at the point of delivery and identification of the border point for the transfer of gas. Both sides agreed that the price formula for gas exports would be reviewed in 2015. Mr. Ahmed was quoted as saying that Pakistan prioritised its contract with Iran ahead of other gas import options. He pointed out that the Pakistani government would study possible gas imports from Qatar and Turkmenistan after the peace pipeline project with Iran had been finalised. The Iranian official stressed that Pakistan welcomed the transfer of Iranian gas to India, China, and "any other point" through its territory. Iran is no less worried at the delay in India deciding to join the project. On November 14 it discounted reports that there was a deadline for India to join in the project. It said in a big project of this size there could not be a deadline. The door remains open for New Delhi to take a decision at its convenience to join in.

Meanwhile the other deal with Iran signed on June 13, 2005 for India to purchase five million tons of LNG too has run into difficulties since Iran is insisting on revising the price of LNG in accordance with the rising international prices of oil. Last year India had indicated its willingness to look at the new price provided it was a marginal increase and not a substantial one. Since then the deal is struck. The newly appointed Oil Minister of Iran Gholamhossein Nozari has said that the deal has run into problems due to a "misunderstanding." He said on the sidelines of the third OPEC Summit: "I think there was a misunderstanding of the procedure followed for approval of the deal." After the National Iranian Gas Export Company (NIGEC) signed the Sale-Purchase Agreement (SPA) with the Consortium of Gas Authority of India, Indian Oil Corporation and Bharat Petroleum Corporation Limited for export of five million tones a year of LNG on June 13, 2005 in Tehran, the contract was vetted by NIGEC's parent company the NIOC. It was mentioned in the SPA that the Contract would need approval of NIOC for the SPA to become effective," the Oil Minister Mr. Nozari said. (Mr. Nozari was earlier the Managing Director of the NOIC, though not at the time of signing of the contract.) The Iranian are now insisting that if India is interested in the deal of the LNG, it has to agree to the revision of the price.

between Iran and the IAEA and a demonstration of restraint and flexibility by all sides.

We also discussed the regional situation. I emphasized the importance of peace and stability in this region for our energy security and the safety of Indians working here. I noted the significance we attach to Iran as a factor of stability in the region. I expressed our appreciation of the cooperation extended by Iran to our assistance projects in Afghanistan. India would also like to see a stable, peaceful, prosperous, united and democratic Iraq.

Later today, I will be calling on His Excellency President Mahmoud Ahmadinejad and His Excellency Chairman of the State Expediency Council Akbar Hashemi Rafsanjani. I will also meet Secretary of the Supreme National Security Council Dr. Ali Larijani. Good relations between India and Iran not only benefit our two countries but also impact on the entire region. Based on my productive exchanges with His Excellency Mottaki, I am satisfied with the outcome of the visit.

Thank you,



422. Statement by External Affairs Minister Pranab Mukherjee before his departure from Iran.

Tehran, February 7, 2007.

I think I have spoken everything in the press meet. After that, of course, I had a meeting with His Excellency President and former President Rafsanjani. I also had a meeting with the National Security Advisor. All these meetings were very fruitful. I am satisfied that my visit has been successful.

The good relationship which we have between our two countries, which encompasses economic, political and cultural relationship, will be further strengthened. We had free and frank discussions on various issues in the most cordial atmosphere. I am pleased with the outcome of this visit.

Thank you.



423. Notification issued by the Ministry of Commerce and Industry prohibiting export of nuclear related material to Iran in pursuance of the sanctions imposed by UNSC on Iran.

New Delhi, February 20, 2007.

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GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE

**NOTIFICATION No. 47 (RE-2006)/ 2004-2009
NEW DELHI, DATED THE 20th FEBRUARY 2007**

S.O(E):-In exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No.22 of 1992) read with paragraph 1.3 of the Foreign Trade Policy, 2004-2009, (as amended from time to time), the Central Government hereby makes the following amendment in Foreign Trade Policy, 2004-2009:

The following shall be added at the end of Paragraph 2.1 of Foreign Trade Policy 2004-2009 as amended :

"Direct or indirect export and import of all items, materials, equipment, goods and technology which could contribute to Iran's enrichment-related, reprocessing or heavy water related activities, or to the development of nuclear weapon delivery systems, as mentioned below whether or not originating in Iran, to/ from Iran is prohibited :

- i) i) items, listed in INFCIRC/254/Rev8/Part I in document S/2006/814, in Sections B.2 to B.7 as well as A.I and B.I except the supply, sale or transfer of equipment covered by B.I when such equipment is for light water reactors and low-enriched uranium covered by A.1.2 when it is incorporated in assembled nuclear fuel elements for such reactors;
- ii) ii) items listed in S/2006/815 except the supply sale or transfer of items covered by 19.A.3 of Category II"

The above mentioned UN Security Council documents are accessible from the Home page of DGFT web site.

This issues in Public interest.

(BHAWANI SINGH MEENA)

Director General of Foreign Trade and
Ex Officio Additional Secretary to the Government of India



424. Question¹ in the Lok Sabha on: "Export of nuke technology to Iran".

New Delhi, May 9, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether India has put a ban on the export of nuclear technology to Iran;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether India has discussed the issue with Iran in this regard; and
- (d) if so, the details thereof?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a)-(b) The Director General of Foreign Trade issued a notification on 20 February 2007 (Notification No. 47 (RE-2006)/2004-2009) under the Foreign Trade (Development & Regulation) Act, 1992 to prohibit direct or indirect export and import of all items, materials, equipment, goods and technology which could contribute to Iran's enrichment related, reprocessing or heavy water related activities, or to the development of nuclear weapon delivery systems. This is in pursuance of India's obligations under UN Security Council Resolution 1737 of 23 December 2006 adopted unanimously by the UN Security Council under Article 41 Chapter VII of the UN Charter.
- (c)-(d) The issue of Iran's nuclear programme has been discussed during interactions with Iran at which Government has conveyed its consistent stand that all possible efforts should be made to resolve the issue through peaceful means, by dialogue and negotiations and the IAEA should play a central role in resolving outstanding issues. The UNSCR 1737 underscores the need for more active and transparent cooperation with IAEA for resolution of outstanding issues.



1. On the same day in an answer to another question, the Lok Sabha was informed that that the International Atomic Energy Agency (IAEA) had stated that "while it is able to verify the non-diversion of declared nuclear material in Iran, it is unable to verify the absence of undeclared nuclear material and activities in Iran unless Iran addresses outstanding verification issues."

425. Press Release of the Ministry of External Affairs on the intervention by External Affairs Minister Pranab Mukherjee on Iran at the Asian-Europe Meeting (ASEM) in Hamburg.

New Delhi, May 28, 2007.

Throughout history, Iran has radiated through Persian language and culture its influence over all its neighbouring countries. In Iran, therefore, we deal with not just a political entity but also a cultural force that takes great pride in its civilizational achievements. I think it is worth reiterating this to ourselves when we deal with that country on difficult issues such as security, non-proliferation, etc. In our view, Iran must be engaged purposefully and candidly - not by demonising its social and cultural mores but by recognizing their internal dynamic even while we may not accept them for ourselves. For those of us who inhabit the same region as Iran and are aware of the richness of its history and culture, and the pride they take in their civilization, it is axiomatic that threats against or denigration of the country will not work.

Iran has to be mindful of its international obligations, but progress on the issues that concern us will not be possible by the use or the threat of use of force or sanctions. It is only engagement which will enable us to see that Iran views following its international obligations as being in its pragmatic self interest. It is a country of tremendous natural and human resources and the development of these resources will make Iran a factor for regional security. The threat or the implied threat of use of military or economic force will not.



426. Briefing by Official Spokesperson on the visit of Iranian Deputy Foreign Minister Dr. Mehdi Safari.

New Delhi, September 7, 2007.

Official Spokesperson: Good eveningthe visit of His Excellency Dr. Mehdi Safari, the Deputy Foreign Minister of the Islamic Republic of Iran. As you know, he is in New Delhi as the Special Envoy of the President of Iran. The purpose of the visit was to brief the Government of India on developments related to Iran's nuclear issue and in particular the recent discussions it has had with the International Atomic Energy Agency (IAEA).

During his stay in New Delhi, that is today, the visiting dignitary called on External Affairs Minister as well as the National Security Advisor, and detailed talks were held with the Foreign Secretary. During the meetings, India's consistent stand was reiterated that Iran has the right to develop peaceful use of nuclear energy while fulfilling all its international commitments and obligations¹.

The need for the nuclear issue to be dealt with in an active and transparent cooperation with the IAEA through dialogue and negotiation was also mentioned. India noted the recent steps agreed between Iran and the IAEA towards the common goal of removing all doubts and uncertainty. There is clearly further progress to be made in the future.

His Excellency Dr. Mehdi Safari's visit also provided a useful opportunity for discussions on bilateral relations and for an exchange of views on the situation in the region.

Question: The UN is planning additional sanctions on Iran. What is our stand? Already there have been some sanctions.

Official Spokesperson: Has there been an announcement of anything?

1. It may be recalled that when the former Iranian President Mohammad Khatami visited New Delhi in March, during his courtesy call on the Prime Minister, he assured the latter that Tehran was not interested in building nuclear weapons, but wanted to use civilian nuclear energy for peaceful purposes. At a 40-minute-long meeting Mr. Khatami said Iran's oil and gas resources were finite. Consequently, it wanted to use nuclear energy. Dr. Singh reportedly told him that India too was keen on developing nuclear energy to propel economic growth. Dr. Singh's response was in line with what New Delhi had been saying on Iran - it must adhere to international non-proliferation laws, while it had a right to produce nuclear energy for peaceful use.

Question: There is no announcement as yet.

Official Spokesperson: This is your speculation and I do not comment on speculative issues.

Questions: But the point is the last time when the sanctions were imposed we went along.

Official Spokesperson: As and when something happens, we will take a view. I cannot anticipate all sorts of scenarios.

Questions: Is Iranian Deputy Foreign Minister meeting Petroleum Minister for pipeline project?

Official Spokesperson: The three meetings that were scheduled today, I have told you. If we have any other meetings, we will tell you. I have told you everything that we can share about the meetings.

Thank you.



427. Question in the Lok Sabha: “Indo-Iran gas pipeline project”.**New Delhi, November 28, 2007.****Will the Minister of External Affairs be pleased to state:**

- (a) whether USA has asked India not to move forward with the planned pipeline project that would bring natural gas from Iran to India;
- (b) the reaction of the Government in this regard; and
- (c) the present status of the pipeline project ?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) No.
- (b) Does not arise.
- (c) The Ministry of Petroleum and Natural Gas has been negotiating the pipeline project with Iran and Pakistan. The sixth meeting of the tripartite Joint Working Group was held in Delhi on 28-29 June 2007. Three meetings of the India-Pakistan Joint Working Group and five meetings of the India-Iran Special Joint Working Group have been held so far. Several key issues including pricing formula, transit fee and transportation tariff are under discussion¹.



1. Media reports said that the postponement of the visit of Petroleum and Natural Gas Minister Murlu Deora to Pakistan in November caused a setback to the talks on the putting in place of the strategic Iran-Pakistan-India and the Turkmenistan-Afghanistan-Pakistan-India pipelines. Mr. Deora was to lead a high level delegation to Islamabad on November 28 and 29 to sign the formal agreement of India joining the Asian Development Bank (ADB)-sponsored TAPI pipeline. Quoting highly placed sources the media reports said the “uncertainty” in Pakistan after the imposition of emergency and the holding of general elections there had forced the postponement of the visit. Mr. Deora had indicated that during his planned visit he had intended to take up the imposition of transit fee on the IPI pipeline and sort out the situation, paving the way for India to sign a trilateral agreement soon. (New Delhi and Islamabad had reached a broad understanding on the transportation tariff payable to Pakistan for wheeling natural gas through the 1,035-km pipeline segment in that country. But the two had yet to decide on a transit fee payable to Pakistan for allowing usage of its territory for passage of the pipeline to India. Islamabad had sought \$0.493 per mBtu while New Delhi offered \$0.20 per mBtu.

ISRAEL

428. Statement by Official Spokesperson on Al Aqsa Mosque.

New Delhi, February 20, 2007.

India noted with concern about the possible consequences of the repair activities in the "Al Maghriba" section of the wall of the Old City of Jerusalem, housing the Al Aqsa Mosque and other protected monuments. The Old City of Jerusalem including the excavation site are places of great spiritual significance to the followers of the three monotheistic religions. The peace, sanctity and spiritual heritage of this Holy City should be maintained. Any action that could be construed as affecting the sanctity of this World Heritage Site, which is the common heritage of all mankind should be avoided at all costs.



429. Press Release of the Ministry of External Affairs on the 10th round of Foreign Ministries Consultations between India and Israel.

Jerusalem, May 16, 2007.

The 10th round of the Foreign Affairs Consultations between Israel and India was held in the Ministry of Foreign Affairs, in Jerusalem on 15 May 2007. The Israeli Delegation was headed by Ambassador Amos Nadai, Deputy Director General, Ministry of Foreign Affairs. Ambassador N. Ravi, Secretary (East) Ministry of External Affairs, led the Indian Delegation. The discussions were opened by Senior Deputy Director General Yossi Gal.

The delegations called on Deputy Prime Minister and Minister of Foreign Affairs Tzipi Livni. The tenth round of talks coincided with the 15th anniversary of full diplomatic relations between India and Israel. It was held in a spirit of friendship and mutual understanding which characterizes the relations between the two countries. The two sides had a wide ranging and constructive exchange of views on bilateral, multilateral and regional issues. Ideas for further enhancing bilateral relations in fields such as economy and commerce, agriculture, culture, science, with particular emphasis on intensifying people to people contacts were discussed¹.



1. In the field of Defence there are substantial purchases. According to information supplied to the Rajya Sabha in answer to a question, between 2000 and 2007 India made defence purchases worth US \$ 5 billion from Israel. Chief of Army Staff visited Israel in March 2007 on a goodwill visit. Israel was the lowest bidder for the supply of some radars for the Air Force. In August during the visit of Minister of State for Industries Ishwani Kumar the question of increased cooperation between India and Israel came up for discussion and it was decided for enhanced cooperation between the two countries in the field of solar energy, water technology, none-technology, agriculture including organic farming and medicine. The Israeli Deputy Prime Minister Mr. Ellie Yishai proposed a free trade agreement which Mr. Kumar said India would consider. Israel is also mulling opening a second trade office in India possibly in Bangalore.

JORDAN

430. Extract from the Press Release issued by the Ministry of External Affairs on the visit of Minister of State E. Ahamed to Jordan.

New Delhi, September 28, 2007.

Hon'ble Minister of State for External Affairs, who is currently on an official tour to Jordan and Palestine called on His Majesty King Abdullah-II Bin Al-Hussain, the ruler of Jordan in Amman on 27 September. He personally handed over a letter addressed by the Hon'ble President of India to the King. The two leaders discussed various issues of bilateral, regional and international importance. Shri Ahamed reiterated India's desire to strengthen the relations with Jordan in all areas, in particular in trade and economic exchanges. Investment in the area of joint production of fertilisers and cooperation in other commercial areas figured prominently among the discussions. The King referred to his visit to India in December last year as "exceptionally successful" and recalled the great warmth shown by the Indian side during the visit.



LEBANON

431. Briefing Points by Official Spokesperson on India's assistance to Lebanon in its reconstruction efforts.

New Delhi, October 30, 2007.

- In his reply to a letter from the President of Lebanon Mr. Fuad Siniora on the urgent need to undertake reconstruction and rehabilitation of Palestinian refugee camps in Northern Lebanon, Prime Minister Dr. Manmohan Singh has conveyed that India will contribute an amount of US \$ 600,000 to assist in the reconstruction of the telecommunication sector in Lebanon.
- Prime Minister has also conveyed India's support for the legitimate aspirations of the Palestinian people to live in a state of their own with well recognized and mutually agreed international borders.



OMAN

432. Joint Press Statement on the official visit of Deputy Prime Minister of the Sultanate of Oman Sayyid Fahd Bin Mahmoud Al Said.

New Delhi, December 15, 2007.

The Deputy Prime Minister for the Council of Ministers of the Sultanate of Oman His Highness Sayyid Fahd Bin Mahmoud Al Said, paid an official visit to India from December 12-15, 2007. He was accompanied by the Minister Responsible for Foreign Affairs, Minister of Commerce and Industry, Minister of Oil and Gas, Minister of Agriculture, Minister of Information and the Assistant Secretary General in the office of the Deputy Prime Minister as well as a team of 20 prominent business persons.

During the visit, His Highness Sayyid Fahd called on the President, the Vice President and held delegation level talks with the Prime Minister. The External Affairs Minister, the Minister for Overseas Indian Affairs and the National security Adviser called on him.

In their discussions during the meetings, the two sides recalled the historic ties between India and Oman and noted with satisfaction the strengthening of the mutually beneficial and traditionally warm friendship that existed between the peoples of the two countries. They stressed the need for further diversifying, consolidating and developing this relationship to a strategic partnership at all levels for the mutual benefit of the two countries and their peoples and noted that their discussions had revealed a complete meeting of minds.

The two sides welcomed the conclusion of four MoUs during the visit of His Highness Sayyid Fahd Bin Mahmoud Al Said, Deputy Prime Minister for the Council of Ministers of the Sultanate of Oman to India. These are:

- i) Memorandum of Understanding (MOU) between NSIC, India and DGD SME, Sultanate of Oman.]
- ii) Memorandum of Understanding (MOU) between IIE, Guwahati and DGD SME, Sultanate of Oman.
- iii) Memorandum of Understanding (MOU) on Higher Education Cooperation.

- iv) Memorandum of Understanding (MOU) between Oman Oil Company S.A.O.C. and Krishak Bharati Cooperative Limited

They noted with satisfaction the steady progress being made in bilateral economic and technical cooperation between the two countries with a projected bilateral trade of US\$ 1.4 billion in 2007; the presence of a large number of Indian companies working in Oman and Omani companies working in India and expressed confidence that the considerable potential that exists would be fully realized to mutual benefit. In particular, they noted the successful operation of the fertilizer production joint venture OMIFCO, between Oman Oil Company, Kribhco and IFFCO which was set up with an investment of US\$ 969 million.

In order to elevate their relationship to a higher level of strategic partnership and to replicate similar success stories in other economic sectors, discussions were held on the Omani proposal to set up a Joint Holding Company between India and Oman with a corpus of US \$ 100 million in the initial stage, with contributions from major business houses and investment institutions on both sides. The corpus would form the seed money for joint investment in infrastructure and other projects in both countries. Indian side will send a delegation very shortly to finalize details.

This will be bolstered by the regular interaction through the bilateral institutional mechanisms including the Joint Commission, Joint Business Council and the Strategic Consultative Group. They directed the Joint Commission to meet more regularly and identify thrust areas and formulate a perspective plan for the next ten years.

Both sides agreed that other agreements and MOUs under discussions would be concluded shortly. They welcomed the proposals for enhancing cooperation in field of information technology and higher education, human resource development and for promoting joint ventures and investment especially in the infrastructure sector.

In New Delhi, the high level business delegation accompanying His Highness the Deputy Prime Minister for the Council of Ministers of Oman, interacted with the leading businesspersons and business houses of India in meetings organized by CII and FICCI and met their counterparts.

The Omani side appreciated the role and contribution of the Indian community in the development and progress of the Sultanate of Oman. The Indian leaders expressed their appreciation for the care and favorable

environment provided by the Sultanate of Oman for the Indian community in Oman.

The two sides held extensive discussions on subjects of mutual interest in the bilateral, regional and international context and agreed to continue such discussions, which will be for the mutual benefit of both countries.

Both sides agreed that regular exchanges of high level visits between India and Oman would help sustain the momentum of bilateral relations and the Deputy Prime Minister for the Council of Ministers of Oman extended an invitation to the Prime Minister of India to visit Oman.



PALESTINE

433. Statement by Official Spokesperson on the Agreement in Mecca for the formation of the National Unity Government in Palestine.

New Delhi, February 20, 2007.

India has always supported the establishment of a sovereign, independent, viable State of Palestine, within well-defined and recognized borders, living side by side at peace with the State of Israel, through a negotiated solution to the Israel-Palestine conflict and in keeping with relevant UN resolution. In this context, India has noted the efforts underway towards the formation of a Palestinian Government of National Unity, in the expectation of a resumption of dialogue on the Israel-Palestine track.



434. Response of the Official Spokesperson to a question on the Mecca Agreement.**New Delhi, March 6, 2007.**

In response to a question, the Official Spokesperson said:

“India has always been strongly supportive of the Palestinian cause and the establishment of a sovereign State of Palestine through negotiations with the State of Israel. The Mecca Agreement¹ is an important step in this direction. In this context, India notes with appreciation the significant contribution of the Kingdom of Saudi Arabia and H. M. King Abdullah himself in facilitating the formation of a Palestine Government of National Unity, in the expectation of a resumption of dialogue on the Israel- Palestine track.”



1. Under the Palestinians' Mecca Accord of February 8, 2007, the mainstream Fatah movement and the militant group Hamas agreed to form a new coalition government that will respect the previous peace deals with Israel. The accord was in the form of a letter from Palestine Authority Chairman Mahmoud Abbas of Fatah, designating Prime Minister Ismail Haniyeh of Hamas to form the government. Under the agreement, Hamas agreed to hold nine ministries in the Cabinet including the prime minister's post. Fatah was allocated six ministries, other factions holding another four. On June 3 when the Saudi King and the Iranian President Ahmadinejad met in Riyadh Iran appeared to signal its support for the Makkah agreement, steered by Saudi Arabia, which raised the Saudi profile in Palestine considerably.

435. Statement by Official Spokesperson on the formation of the Palestinian National Unity Government.**New Delhi, March 21, 2007.**

India welcomes the formation of the Palestinian National Unity Government¹ as a result of the efforts by all the parties directly involved. India supports the legitimate aspirations of the Palestinian people and their efforts to reconstruct their nation. We trust that the formation of the new Palestinian Government of National Unity will help alleviation of the suffering of the common man and in the resumption of peaceful dialogue under the Peace Process. India is ready to assist the Palestinian National Unity Government in its reconstruction and rebuilding efforts.



1. The Spokesperson was referring to the installation of a new, more moderate coalition government, in hopes of persuading the international community to end its isolation of the Palestinian Authority and lift a year of bruising sanctions. Israel promptly announced it would not deal with the coalition, because governing partners Hamas and Fatah stopped short of explicitly recognising the Jewish state or renouncing violence, as the international community has demanded. Norway immediately recognised the new coalition and announced it would lift sanctions. Britain and the U.N. signalled flexibility - suggesting money could start flowing again if the coalition keeps anti-Israel activities in check.

436. Response of Official Spokesperson to a question on developments in Palestine and Israel.**New Delhi, May 26, 2007.**

We are concerned about the escalating violence in Palestine and Israel, especially that directed against innocent civilians. The arrest of elected representatives of the people by another country can only lead to further complications and violence. It is our hope that the peace process will be brought back on track and resumed as soon as possible. All sides must make efforts to exercise restraint and return to the path of dialogue and peace¹.



1. The Spokesperson was referring to May 26 Israel firing of missiles at five Hamas targets minutes apart killing five persons and wounding five. In all, Israeli aircraft launched 11 missile strikes. They struck near the house of Prime Minister Ismail Haniyeh of Hamas in a Gaza refugee camp, while troops in the West Bank arrested a Hamas Cabinet Minister. Israel's offensive was aimed at halting Hamas rocket fire from Gaza at Israeli border towns. Since the previous week, dozens of targeted missile strikes killed nearly 50 Palestinians and damaged many Hamas installations. Israel said some 225 rockets landed in Israeli towns since May 15, killing one woman and sending thousands of frightened Israeli residents fleeing. Moderate Palestinian President Mahmoud Abbas tried to revive a truce with Israel. Under his plan, Gaza militants would halt rocket fire for a month to allow for negotiations on a more comprehensive cease-fire that would include the West Bank. Against the backdrop of the Palestinian infighting that threatened all-out civil war, Israeli airstrikes added an extra layer of violence and uncertainty. Meanwhile Israel Defence Minister Amir Peretz said in an interview he would want the moderates led by Fatah to emerge stronger after the clashes. While declaring that he did not wish to get involved in internal Palestinian affairs, Mr. Peretz told Israel Radio that "we certainly would like the moderate forces to emerge with the upper hand."

437. Response of Official Spokesperson to a questions on the current situation in Palestine.**New Delhi, June 22, 2007.**

In response to questions on the current situation in Palestine¹, the Official Spokesperson said that the situation in Palestine had become complex and expressed the hope that it would be resolved soon for a return to normalcy. While referring to the newly constituted government of the Palestine National Authority under the leadership of President Abu Mazen, hope was expressed that it would achieve the goal of helping a peaceful and negotiated resolution of all problems, including the Palestine-Israel conflict using the elements of the Roadmap, and the Arab Peace Initiative. The need of the hour was to work towards meeting the legitimate aspirations of all the people of Palestine, including their right to live in peace with their neighbours, within secure and recognized international borders.



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1. Relations between Fatah and its rival Hamas deteriorated after Hamas overran the entire Gaza strip after engaging Fatah fighters in deadly gun battles for several days. Nearly 110 persons died in the factional violence. Mr. Abbas refused talks with the militant group. In a televised address to the members of the Palestine Liberation Organisation (PLO), Fatah leader Mr. Abbas asserted that there would be "no dialogue with putschists, murderers and terrorists." The Hamas dismissed the speech as a pack of lies. Mr. Abbas remarks triggered street demonstrations in Gaza, where effigies of the Palestinian President were burned on June 21. While Hamas has declared its intent to hold talks, it has nevertheless insisted that it would not engage with senior Fatah functionaries, including former Gaza strongman Mohammad Dahlan. To resolve the crisis Egypt invited Palestinian President Mahmoud Abbas and Israeli Prime Minister Ehud Olmert for a summit at the Red Sea resort of Sharm El-Sheikh. An invitation for participation was also extended to King Abdullah II of Jordan. Both Egypt and Jordan have diplomatic ties with Israel. The call followed Mr. Olmert visit to Washington.

438. Extract from the Press Release issued by the Ministry of External Affairs on the visit of Minister of State E. Ahamed to Palestine.

New Delhi, September 28, 2007.

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Shri Ahamed ... visited Palestine and met Dr. Rafique Al-Husseini, the Chief of Staff of President, Dr. Ahmed Soboh, Deputy Foreign Minister of Palestine and Dr. Nimmer Hamad, senior Political Advisor to the Palestinian President to discuss bilateral relations between India and Palestine and to exchange views on the progress in the Middle East Peace Process. The Palestinian side highly appreciated India's unwavering support to the Palestinian cause and its consistent stand on the Palestinian issue. MoS expressed hope that a negotiated settlement would soon be reached to achieve the aspirations of Palestinians to have their own viable independent Palestinian state within separate and recognized borders, living side by side in peace with all its neighbours including Israel. The International Conference on Palestine which is expected to be held in November this year also came up during the discussions.

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439. Statement by Minister of Science and Technology and Earth Sciences Kapil Sibal at the Conference to promote Arab Israel peace.

Annapolis, November 27, 2007.

Please see Document No.-414

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440. Press Release of the Embassy of India in Washington on the meeting of Minister of Science and Technology and Earth Sciences Kapil Sibal with President of Palestinian National Authority Mahmoud Abbas.

Annapolis, November 27, 2007.

Mr. Kapil Sibal, Minister of Science and Technology and Earth Sciences, who is leading the Indian delegation to the International Conference to promote Arab-Israeli Peace held at Annapolis, USA had a most friendly meeting with Mr. Mahmoud Abbas, President of the Palestinian National Authority today, the 27th November 2007. The meeting took place after the Palestinian President and Israeli Prime Minister had reached agreement on the Joint Understanding, which has launched the one-year long negotiating process between the parties on the Final Status Issues.

President Abbas expressed great satisfaction about the Indian delegation's participation¹ at the conference. He shared with Mr. Sibal his assessment of the outcome of the conference and briefed him in detail about the procedures and working methods for conducting future negotiations.

President Abbas expressed his deep appreciation to India for all the assistance that has been extended by India to the Palestine National Authority so far. Minister Sibal assured him that India would be very happy to continue this cooperation in future in all areas desired by Palestinian authorities. In particular, he emphasized India's willingness to help in providing assistance in the field of police training and institution - building and human resource development. President Abbas said that he was looking forward to India's participation in the Donors Meeting which would be convened in Paris in December 2007. The Minister stated India's continued commitment and support for the Palestinian cause.



1. Please see Document No 414.

441. Message by Prime Minister on the occasion of the International Day of Solidarity with the Palestinian people.

New Delhi, November 29, 2007.

On the occasion of the International Day of Solidarity with the Palestinian people we once again salute the indomitable spirit of the Palestinian people and reaffirm our support for their just struggle, for a sovereign and independent State of Palestine.

India welcomes the renewed efforts and initiative by the international community to resolve Arab-Israeli issues. We have noted with concern the developments in Gaza and the continued violence inflicted on innocent civilians.

India welcomes the direct dialogue between the leaders of Palestine and Israel and looks forward to an early and peaceful resolution of all issues between the two nations and peoples.

I would like to take this opportunity to re-affirm India's consistent and unwavering support to the cause of the friendly people of Palestine. It is our firm belief that a just, comprehensive and lasting peace in the region can only be achieved through negotiations and dialogue leading to the establishment of an independent and viable State of Palestine, living in peaceful co-existence, within secure and well-defined borders, with the State of Israel.

On this International Day of Solidarity, I also take the opportunity to convey my greetings and best wishes to the friendly people of Palestine.



442. Statement by Minister of State E. Ahamed on Agenda item: 17&18 “The Situation in the Middle East and “Question of Palestine,” in the UNGA.

New York, November 30, 2007.

Please see Document No. 663.



443. Statement by Minister of State E. Ahamed at the Donors' Conference on Palestine.

Paris, December 17, 2007.

Hon'ble President, Mr. Nicolas Sarkozy,

Your Excellency, Foreign Minister of France, Mr. Bernard Kouchner,

Distinguished Delegates,

Excellencies, Ladies and Gentlemen,

At the outset, let me thank you and the French Government for taking the initiative of hosting the Donors' Conference on Palestine and inviting us. India reaffirmed its commitment at the Annapolis Conference to play its "due role" in this collective endeavour of the International Community to strengthen the forces of peace and stability in the region.

2. The International Community needs to come together to contribute to the capacity-building and development of human resources and infrastructure of the Palestinian people, to enable them to live in peace in a sovereign, independent and viable State of Palestine, side by side with the people and the State of Israel.
3. Excellency, our presence at this Donors' Conference underlines the importance that the Government of India attaches to the Palestinian cause and its solidarity with the Palestinian people. I am happy to see the three year Palestinian Reform and Development Plan prepared by Palestinian Prime Minister Fayyad.
4. In tune with our principled support to the Palestinian cause and the Palestinian people, India has so far extended assistance in the form of grants to the tune of US\$ 22 million to the Palestinian National Authority towards development of Palestinian institutions, besides humanitarian aid in times of crises.
5. In 2003, India donated vehicles and medicines worth USD 1 million to the PNA. I had the honor of personally delivering this aid to the late President Arafat at Al Quds. In 2005, a grant of USD 15.4 million was extended to the Palestinian Authority for executing projects in development of infrastructure and human resources. In 2006,

humanitarian aid worth USD 2 million was given for life-saving drugs to Ramallah.

6. Mr. Chairman, on this occasion, in consonance with our earlier donations for infrastructure development in Palestine, I have pleasure in announcing on behalf of the Government of India, a pledge of USD 5 million for further development of Palestinian institutions, the projects for which will be identified in consultation with the Palestinian National Authority as before. In addition to this, to assist in the capacity building of Palestine, India will provide training to 400 Palestinian officials nominated by the Palestinian National Authority under its International Technical and Economic Cooperation Programme over a period of two years.
7. I would like to take this opportunity to express my appreciation for the initiative taken by the Government of France for hosting this International Donors' Conference on Palestine and the warm hospitality extended to me and my delegation.



SAUDI ARABIA

444. Press Release of the Ministry of External Affairs on the 7th session of the India-Saudi Arabia Joint Commission.

New Delhi, January 19, 2007.

The 7th session of the India-Saudi Arabia Joint Commission was held on 18-19 January 2007 in New Delhi. The Hon'ble Finance Minister of India Shri P. Chidambaram and H. E. Dr. Hashim Abdullah Al-Yamani, Minister of Commerce and Industry of the Kingdom of Saudi Arabia co-chaired the meeting. H. E. Dr. Al-Yamani was accompanied on his visit from 16 to 19 January 2007 by H. E. Mr. Abdullah A. Al Hamoudi, Vice Minister for Foreign Trade and a 32-member Official Delegation, a 36-member Business Delegation and an 18-member ICT Delegation.

The 7th Session of the JCM was a follow up to the historic and landmark visit of the Custodian of the Two Holy Mosques King Abdullah bin Abdul Aziz to India in January 2006. The proceedings of the JCM underlined the determination of both sides to work together to realize and achieve the goals set out in the Delhi Declaration issued during the visit covering the wide spectrum of bilateral cooperation.

Discussions were held to implement the provisions of the Delhi Declaration towards strengthening bilateral relations, enhancing economic, investment and commercial relations, building a strategic partnership in the field of energy and engendering cooperation in science and technology, education, health and promoting the welfare of the Indian community in Saudi Arabia. Both sides made presentations on their respective economies and prospects and possibilities for investment. Both sides reiterated their commitment to follow up on various decisions taken during the JCM. Bilateral trade and investments has been growing satisfactorily in recent times and considerable possibilities exist for further growth. Notably, India is the fourth largest trading partner of Saudi Arabia.

The Saudi Business and ICT delegations interacted with their Indian counterparts at the Joint Business Council meetings at FICCI, and at CII and ASSOCHAM. The ICT Delegation is also scheduled to visit Bangalore and Hyderabad for further interaction with various Indian companies and representatives in the ICT field.



SYRIA

445. Report on the cooperation between India and Syria in the Hydro-Carbon sector.

New Delhi, April, 21, 2007

Taking further India's quest for energy security, the delegation led by a Petroleum and Natural Gas Minister, Murli Deora, has made a major breakthrough in cooperation between New Delhi and Damascus in a number of projects in the hydrocarbon sector. These include participation in exploration and production, refinery modernisation and development of gas infrastructure including city gas projects. This significant development took place during a meeting between Mr. Deora and his Syrian counterpart Sufian Al-Alao, in Damascus late on 20th April night. Mr. Deora, who was on a three-nation visit, elaborated on the recent developments in the Indian oil and gas sector at the delegation-level talks. He emphasised the need for greater cooperation between two countries. Mr. Al-Alao reciprocated his sentiments and at the end of the meeting both sides signed the minutes on the agreed agenda.

Petroleum Secretary M.S. Srinivasan signed the document for India and Dr. Hassan Zaienab, Deputy Minister, Petroleum and Mineral Resources, for Syria.

Syria agreed to work closely with Indian companies and consider the request for allocating blocks on a preferential basis in the spirit of mutually beneficial relationship.

It will also provide information to Indian companies about the 7 offshore blocks proposed for bidding later this year. The Oil and Natural Gas Corporation (ONGC) offered assistance to Syrian Petroleum Company (SPC) for increased and enhanced oil recovery from the country's heavy oil-fields through techniques such as in-situ combustion, gas and water injection, slim hole drilling, side tracking and production system optimisation.

In the refining sector, the India Oil Corporation and Engineers India Limited (EIL) conveyed their interest in participating in different opportunities in Syria.

Engineers India Limited said it was interested in participating in the upcoming Baniyas Refinery upgrading project. Syria agreed to provide details of the project.

On the offer of the Gas Authority of India Limited (GAIL) to develop CNG-based infrastructure, Syria said GAIL had qualified for CNG distribution and the country would float the bid document before the year-end. The two sides also agreed to form Joint Working Groups, for identified areas of mutual cooperation, comprising officials of both countries.

They would fine-tune and monitor the work programme under the aegis of the Hydrocarbon Committee to be co-chaired by Dr. Hassan and the Secretary, Petroleum and Natural Gas, India.



TAJIKISTAN

446. Address by Minister of State E. Ahamed at the Release of the Book "India-Tajikistan Cooperation: Perspectives and Prospects".

New Delhi, January 17, 2007.

Amb Salohiddin Nasriddinov, Dr K. Santhanam, President India Central Asia Foundation Shri K. Raghunath, Vice President India Central-Asia Foundation Shri Yogesh Saxena, Shri Talmiz Ahmed, DG, ICWA Excellencies, Distinguished Academicians, Ladies and Gentlemen

It gives me great pleasure to be at this function to release the book **"India-Tajikistan Cooperation: Perspectives and Prospects"** which has been brought out by the India Central Asia Foundation. The book is a compilation of papers presented at the seminar on India-Tajikistan Relations organized by ICWA and ICAF during the visit of His Excellency Mr. Emomali Rahmonov, President of Tajikistan to India in August 2006. It is a matter of great satisfaction and honour that the President of Tajikistan made the inaugural address at the Seminar and has contributed to this book. This book will be an important addition to the literature on Tajikistan-India relations and a significant point of reference for all interested in India's relations with Tajikistan and seeking information on Tajikistan. I hope initiative will be taken to translate the book into Tajik language as well. I vividly remember the visit of President Rahmonov to India in August last year. I was impressed by his vision for India-Tajikistan relations and the personal guidance provided by him in strengthening our relations.

2. India and Tajikistan have deep roots in history. Ties between our two countries pre-date the Silk Road by three thousand years. Tajikistan and other Central Asian republics have civilisational, historical, geopolitical and economic significance for India. Awareness of and sensitivity to contemporary events in Tajikistan and other Central Asian republics are of importance in promoting common interests.
3. For India, developments in Tajikistan are important, as it is part of our near neighbourhood. Tajikistan is less than half hour flying time from our northern borders and it is in our mutual interest to deepen

our relations. Exciting new opportunities have emerged in the hydropower sector of Tajikistan which has the potential of transforming not only the Tajik economy but the region as well. We, in India, are hopeful that the initiative to export electricity from Central Asia to South Asia contributes towards transforming the lives of our peoples. Other areas of mutual cooperation include combating international terrorism and drug trafficking.

4. During my travel to Central Asian Republics, I have felt the warmth and closeness towards India and a desire for strengthening our bilateral interactions. In their perception, relations with India are welcome, as it is benign and free of tensions or disputes. I have also sensed their desire to learn from India's developmental experience.
5. An integrated approach is desirable to enhance the level of economic ties between India and Tajikistan. I must mention without any hesitation that economic and commercial ties between India and Tajikistan are low despite the immense potential that exists. It is heartening to note that steps are being taken by both India and Tajikistan to expand and strengthen economic cooperation. The Tajik President's visit to India in August last year has provided an impetus to our bilateral ties. Enhanced economic engagement of India with this region could play a positive role in economic reforms underway in Tajikistan.
6. India's interests in Central Asia deserve to be effectively advanced by diversifying from cooperation in the field of education and culture to investment and enhanced business transactions. There is a need for increased interaction and exchange of information between entrepreneurs from India and Central Asia on the new opportunities and markets in the region.
7. I am confident that this book will be a step forward in this regard. I am happy to note that the book provides a perspective on such important areas such as India - Tajik Relations, Regional Economic Cooperation with a focus on India - Tajikistan, Drug Trafficking and Terrorism & Religious Extremism in Central Asia

Distinguished Friends,

8. I am sure the book will contribute towards a better understanding of India-Tajik relations. Thank you very much.



UNITED ARAB EMIRATES

447. List of Agreements signed between the Republic of India and the Government of United Arab Emirates during the State Visit of His Highness Shaikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates (UAE) and Ruler of Dubai to India, [March 25-26, 2007].

New Delhi, March 26, 2007

1. Framework Agreement between Government of the Republic of India and the Government of the UAE for developing Industrial Relations signed by H.E. Shri Kamal Nath, Minister of Commerce & Industry of India and H.E. Dr. Mohammad Khalfan Bin Khirbash, Minister of State for Finance & Industry of UAE.
2. Protocol between Government of the Republic of India and the Government of the UAE amending the Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect of Taxes on Income signed on April 29, 1992 signed by H.E. Shri S.S. Palanimanickam, Minister of State for Finance[Revenue] of India and H.E. Dr. Mohammad Khalfan Bin Khirbash, Minister of State for Finance & Industry of UAE.
3. Memorandum of Understanding for Technical Cooperation between Bureau of Indian Standards[BIS] and Emirates Authority for Standardization and Metrology[ESMA] signed by Smt. Alka Sirohi, Director General, Bureau of Indian Standards and Mr. Waleed Ali Bin Falah Al-Mansouri, Director General of Emirates Authority for Standardization and Metrology of UAE.
4. Memorandum of Understanding for Technical Cooperation in Accreditation Activities between National Accreditation Board for Testing and Calibration Laboratories and Emirates Authority for Standardization and Metrology signed by Dr. Sulbha M. Gupta, Director, National Accreditation Board for Testing and Calibration Laboratories and Mr. Waleed Ali Bin Falah Al-Mansouri, Director General of Emirates Authority for Standardization and Metrology of UAE.

5. Memorandum of Understanding between Securities and Exchange Board of India and Emirates Securities and Commodities Authority for Assistance and Mutual Cooperation on the Exchange of Information signed by Shri M. Damodaran, Chairman, Securities and Exchange Board of India and Mr. Abdullah S. Al Turifi, Chief Executive Officer, Emirates Securities and Commodities Authority of UAE.



448. Press Release issued by the Ministry of Home Affairs on the India - United Arab Emirates Institutional Mechanism to enhance Internal Security and Cooperation in Combating International Terrorism.

New Delhi, May 31, 2007.

A seven member delegation of the United Arab Emirates, led by their Under Secretary (Interior), Major General Saif Abdulla Al-Sha'afar met the Indian delegation, headed by the Union Home Secretary, Shri Madhukar Gupta here on 28th and 29th of this month. The talks were held in a friendly and cordial atmosphere. Both sides noted with satisfaction the strong traditional and friendly ties between the two countries and underlined the need to enhance bilateral security cooperation. It was noted that discussions are underway on the agreements on transfer of sentenced persons, and on combating international terrorism, organized crime and illicit drug trafficking. It was decided that these agreements would be finalized, as far as possible, within three months.

Both sides underscored the need to firmly and effectively combat terrorism and other related crimes. In this connection, they noted the importance of exchange of operational information and intelligence in the areas of terrorism, organized crime, financing of terrorism, smuggling of small arms and explosives, and agreed to set up an institutional mechanism to coordinate and facilitate such exchange on a continuing basis. This mechanism will also discuss ways to facilitate greater cooperation and speedy action in criminal investigations including Red Corner Notices and extradition cases.

Both sides also discussed passport, visa and immigration related issues and agreed to find ways and means to reduce vulnerability of passports, prevent issuance of forged travel documents, take steps to control the

activities of unscrupulous middlemen and also address the problems faced by Indian expatriate workers in the UAE. It was decided that the institutional mechanism would address these issues also.

It was also agreed that both sides would avail of facilities in either country for enhancing capacity and skills of their respective police personnel. Both sides agreed that to ensure early operationalisation of the institutional mechanism, both sides will convey to each other within two weeks the names of respective competent authorities / nodal points.



449. Press Release issued by the Ministry of External Affairs on the 9th India-United Arab Emirates Joint Commission meeting.

New Delhi, June 6, 2007.

The 9th Session of the India-UAE Joint Commission for Economic, Technical and Scientific Cooperation was held in New Delhi on 6th June, 2007. The Indian side was led by H.E Pranab Mukherjee, Minister of External Affairs and the UAE side by H.E. Sheikh Abdullah bin Zayed Al-Nahyan, Minister of Foreign Affairs.

The Joint Commission noted the successful visit to India of His Highness Sheikh Mohammed bin Rashid Al Maktoum in March 2007. In the discussions, the entire range of subjects dealing with bilateral economic, commercial, technical and scientific cooperation was covered. Special emphasis was laid on enhancing investment cooperation between UAE and India, with particular reference to investment from UAE in the infrastructure sector. The discussions also covered bilateral cooperation in human resource development, capacity building, investment by India in the hydrocarbon sector in the UAE and on the operationalisation of the Joint Committee, as envisaged in the Memorandum of Understanding on Manpower signed between India and the UAE in December 2007. The discussions also covered an assessment of the regional situation by both sides. In this context, India expressed the hope that this would buttress all ongoing efforts for Israeli-Arab dialogue, and a peaceful, negotiated resolution of the conflict.

It was decided that frequent exchanges in the field of economic, commercial

and technical cooperation would be encouraged by both sides to enable full realization of the potential that exists in the bilateral relations. It was also noted that the Government of UAE had made an important gesture on declaring amnesty for three months to all workers in UAE who needed to regularize their stay or who wished to return to their country of origin.



UZBEKISTAN

450. Press Release issued by the Ministry of Commerce on cooperation between India and Uzbekistan in the mining and gas sectors.

New Delhi, April 15, 2007.

Uzbekistan has agreed to open technical talks with GAIL for enabling the Indian company to start exploration activity in natural gas in the gas-rich Central Asian country. This materialised after meetings between the Prime Minister of Uzbekistan, Mr. Savkit Mirziyayev and the visiting Minister of State for Commerce, Shri Jairam Ramesh on April 13, 2007 at Tashkent. India has also offered to help establish a training institute for gas technology in Tashkent, along the lines of the Jawaharlal Nehru IT Centre in the Uzbek capital that was inaugurated by the Prime Minister, Dr. Manmohan Singh last year. GAIL has identified 4 specific blocks for gas exploration. So far Russia, China and South Korea have invested in gas exploration in Uzbekistan.

Shri Jairam Ramesh was accompanied in his meetings with the Prime Minister of Uzbekistan and other senior ministers by Shri Mukund Chaudhury, Managing Director of CLC Textiles which has recently invested \$ 81 million in cotton spinning and yarn in Uzbekistan. A further investment of \$ 40 million is planned by CLC Textiles over the next two years. The Uzbek Prime Minister appreciated the operations of CLC Textiles and expressed Uzbekistan's keenness for similar investments by Indian companies in pharmaceuticals and leather. Shri Jairam Ramesh promised to talk to Indian companies in this regard soon.

Shri Jairam Ramesh also conveyed to the Uzbek Prime Minister, India's interest in exploring for gold in gold-rich Uzbekistan since India is now the world's largest importer of gold. The Uzbek government has agreed to consider a proposal from MMTC/ National Mineral Development Corporation (NMDC) for gold exploration but wants this proposal to include value-addition investments in Uzbekistan itself, like in gold jewellery. MMTC and NMDC will now formulate a proposal for submission to the Uzbek government in the next 30 days.

The Uzbek Prime Minister underscored the special cultural and political relationship that exists between India and Uzbekistan. He also mentioned

the great personal regard and respect that the President of Uzbekistan has for Dr. Manmohan Singh whom he has known personally for over a decade and a half. He felt that the time was now ripe for taking the bilateral economic relationship to a whole new level and that Shri Jairam Ramesh's visit will contribute significantly to this.



INDIA'S FOREIGN RELATIONS - 2007

SECTION-V

AFRICA

451A. Briefing points by Official Spokesperson on the Conference of Heads of Indian Missions from sub-Saharan Africa.

Addis Ababa, July 4, 2007.

- U External Affairs Minister Shri Pranab Mukherjee today chaired a Conference of Heads of Indian Missions from sub-Saharan Africa that was held at the Indian Embassy in Addis Ababa.
- U EAM spelt out in detail the policy of the Government on further development and intensification of our traditionally close, cooperative and mutually beneficial relations with countries of the region.
- U The Conference addressed major themes including: bilateral relations, India-Africa partnership, Africa and the World, and enhancing India's development partnership with Africa. Among the issues discussed was the need for Indian missions to continue to provide assistance in times of need to Indian communities resident in their territories of accreditation.
- U Many useful suggestions emerged from the discussions and these will help to further develop and fine tune India's overall policy of partnership towards Africa that covers political, cultural, trade and economic, S & T, defence, ICT, health, agriculture and other spheres.



451B. Statement by Member of Parliament and Member of the Indian Delegation to the UN Ms. Sushma Swaraj on Agenda Item 64 [a] and [b] - New Partnership for Africa's Development: Progress in Implementation and International support and Agenda Item 47: Decade of rollback of malaria in developing countries particularly in Africa at the 62nd session of the UNGA.

New York, October 18, 2007.

Please see Document No. 625.



452. Inaugural address by External Affairs Minister Pranab Mukherjee at the 1st India-Africa Hydrocarbon Conference.

New Delhi, November 6, 2007.

Minister for Petroleum & Natural Gas,

Shri Murli Deora,

Hon'ble Ministers from African countries,

Excellencies,

Distinguished Guests,

It is indeed an honour for us to receive all the dignitaries from various African Countries. I thank all of you for taking time out from your busy schedules and for reinforcing our commitment to further deepen the cooperation between India and Africa in the vital energy sector.

India, as we all know, is experiencing accelerated economic growth. Annual growth rates of between 8% & 9% are driving the nation's increasing demand for energy. Like many other countries, it is natural that India too should be concerned about existing and potential sources of supply for meeting its requirements on a sustained basis.

India faces formidable challenges in meeting its energy needs. According to the Integrated Energy Policy document of the Government of India, the country would need to expand its current primary energy supply levels by 3-4 times and electricity generation by 5-6 times in the next 25 years in order to sustain the high growth levels required to attain our developmental goals and to eradicate poverty. Owing to the limited availability of oil and gas within our own country, 70% of our energy requirements are dependent on hydrocarbon imports. What is of particular concern to us is that this import dependence is only going to accentuate further in the coming years.

This realization has pushed all of us to adopting proactive approaches for ensuring our energy security, particularly with reference to hydrocarbons, which account for nearly half of India's total energy needs. The task of investing in overseas energy assets for the country has, therefore, become an important aspect of our economic diplomacy. Indian oil companies have concluded arrangements, including investment agreements, with many

countries for the supply of oil and its derivatives to India and in most of the cases, delivery has begun. In addition, the possibility of bilateral cooperation in the downstream sectors, petrochemicals, non-conventional energy and joint ventures are also being constantly explored with various resource-rich countries.

Excellencies, Distinguished Guests,

The Ministry of External Affairs attaches high priority to energy security. The newly created Energy Security Unit in the Ministry bears testimony to the government's resolve to treat this as a matter of urgent national importance. As the nodal point in the Ministry, this Unit will maintain close coordination with the concerned Ministries, as well as our corporate entities in both public and private sectors, to support their international engagement through appropriate diplomatic intervention. Given this background, to secure a long term, cost effective and reliable mode of resource supply, we are keen to explore the prospects of sourcing energy from our neighborhood and beyond.

India is presently looking at an all-round effort wherein domestic exploration exercises are being intensified, coupled with greater emphasis on 'equity oil' from overseas. Efforts towards technology improvements have also paid off. Indian companies are collaborating with international companies for greater sharing of technology and know-how leading to higher efficiency in our operations. These measures, along with efforts towards adoption of advanced technology and professional management, as well as forays into tapping emerging areas like coal gasification, Coal Bed Methane (CBM), gas hydrates and other sources of energy, have shown encouraging results. Greater consideration is also being given to efficient utilization of energy resources. The Indian hydrocarbon industry has come a long way on all these fronts.

The New Exploration Licensing Policy (NELP) and the CBM are new frameworks for cooperation in the area of energy resources management. The six rounds of the New Exploration Licensing Policy have successfully attracted investments from Indian as well as global investors. Over the years, exploration activity has been intensified and positive results have been forthcoming with important discoveries by operators in the Krishna-Godavari Basin and the on-shore blocks in Rajasthan. Similar success has also been observed in the bidding for the CBM blocks.

India has re-doubled its efforts to attract investments to develop its energy

sector, including power generation and oil refining, which are now open to private and foreign investment. There is new and huge market potential in India for those who have competitive products and services to offer in the energy sector. Possibilities of cooperation on the non-conventional energy front are also being explored. An Agreement has been signed with Brazil for cooperation in bio-fuels and ethanol. We are exploring the possibilities of civil nuclear cooperation and, if we succeed, it would also open up immense possibilities for the growth of nuclear energy thereby strengthening energy security for the country.

Excellencies, Distinguished Guests,

India is increasingly looking at taking forward its partnership with Africa which would be mutually beneficial to both sides. We are a natural market for Africa's rich hydrocarbon resources. Prospects for cooperation with African nations in the hydrocarbon sector have also received a boost with a surge in investments made by Indian companies in countries such as Libya, Sudan, Nigeria, Egypt and Gabon over the past few years. We hope that from here on, we will together traverse the path to growth and development.

One of the crucial questions that confront all resource-rich countries is how natural endowments can be utilized to build a diversified economy and ensure economic and social development. Since the relentless quest for new energy sources is expected to continue all round the world, including in Africa, it must be ensured that such exploitation takes place in an equitable and humane manner. In this important sector of hydrocarbons, which has a direct correlation with economic growth, investment in human resources is also an important aspect. In this regard, India stands ready to share its experience with its African partners in the hydrocarbon sector, from exploration to distribution through refining, storage and transportation.

It is crucial that over a period of time, investment in this sector should directly assist in the building up of a trained and skilled work force capable of efficiently running the assets.

Excellencies, Distinguished Guests,

India's foreign policy remains vigilant to the new demands and compulsions imposed upon it by a rapidly transforming world around. We are confident of our capacity and capability as a nation to respond successfully to these newly emerging challenges and opportunities. We seek the cooperation

and support of our friends and partners in Africa to achieve this objective. On this occasion, I would like to congratulate the Ministry of Petroleum & Natural Gas, FICCI and UNCTAD for their timely effort in bringing together the key officials and business stakeholders in this sector in India and Africa to collectively identify the areas for cooperation. I am sure that this Conference will help evolve a vibrant and mutually beneficial business environment in the years to come.

To conclude, I would like to reiterate that India is more than willing to share its experience and its technologies in the hydrocarbons sector with African countries in order to forge meaningful partnerships which can respond to the challenges of development facing our people. We have maintained traditionally warm and productive relations with all African countries. Our engagement has been characterized by close convergence on global political and economic issues, particularly those affecting the developing world. Closer cooperation between India and the African countries in the hydrocarbon sector would further cement and consolidate those relations and contribute significantly to forging strategic partnerships for mutual development.

Thank you.



ALGERIA

453. Statement by Official Spokesperson condemning the terrorist attacks in Algiers.

New Delhi, April 12, 2007.

We strongly condemn the terrorist attacks in Algiers on Wednesday which resulted in the death of many innocent people and injured hundreds. Terrorism is a heinous crime and cannot be condoned in any form. The international community should cooperate closely to counter terrorism everywhere with renewed resolve and total firmness.



454. Statement by Official Spokesperson on the terrorist attack in Algiers.

New Delhi, December 12, 2007.

We strongly condemn the abhorrent act of terrorism that took place in the Algerian capital on Tuesday, December 11. The terrorist attack, that targetted Algeria's Constitutional Court and the UN mission, killing dozens of people clearly reveal the serious threat that terrorism poses to the security of nations and to international organizations. The indiscriminate targetting of innocent people exposes terrorism's true face. No cause, no grievance, can ever justify acts of terrorism.

We stand by with friendly Algeria, in this hour of their grief and in their fight against new threats of extremism and terrorism. We reiterate our stand that the international community should cooperate closely to counter terrorism with firmness and determination.



ANGOLA

455. Press Release of Ministry of External Affairs on the visit of Minister of State Anand Sharma to Angola, 8-9 June, 2007.

New Delhi, June 9, 2007.

Shri Anand Sharma, Minister of State for External Affairs visited Angola on 8-9 June, 2007 at the invitation of Mr. Joao Bernardo de Miranda, Minister of External Relations, Government of Angola. This was of significant importance as this was the first Ministerial level visit from Indian side in the last seventeen years.

Minister Sharma was received at the highest level in the Angolan polity. Immediately upon arrival in Luanda, Minister Sharma called on the President of the Republic of Luanda, H.E. Mr. Jose Eduardo dos Santos. The meeting lasted over fifty minutes and covered wide range of issues of bilateral and multilateral interest.

During the course of the visit, Minister Sharma held discussions with Mr. Joao Bernardo de Miranda, Minister of External Relations, Mr. Desiderio Costa, Minister of Petroleum, Mr. Manuel Antonio Africano, Minister of Geology and Mines, and Dr. Manuel Arnaldo de Sousa Calado, President of ENDIAMA, the state-owned diamond company.

The successful visit of Minister of State has set the tone for enhanced multisectoral engagement between India and Angola in the fields of oil, mining, agriculture and infrastructure.



COTE D'IVOIRE

456. Briefing by Official Spokesperson on humanitarian aid to Cote d'Ivoire.

New Delhi, January 5, 2007.

In September 2006, Cote d'Ivoire was affected by a serious problem arising out of the discharge of toxic waste at different locations of the country by a foreign registered vessel. The fumes emanating from the toxic waste led to hospitalization of approximately 9,000 residents in and around Abidjan, in addition to unconfirmed deaths. India was amongst the countries approached for supply of medicines for treatment of the affected population.

2. As a humanitarian gesture, India is supplying medicines valued at approximately Rs. 2 crore to Cote d'Ivoire under its Aid to Africa budget. STC is expected to complete the delivery of the medicines at Abidjan during the month of January 2007.



ETHIOPIA

457. Media interaction of Ethiopian Foreign Minister Seyoum Mesfin and External Affairs Minister Pranab Mukherjee at the Ethiopian Ministry of Foreign Affairs.

Addis Ababa, July 5, 2007.

Mr. Seyoum Mesfin : His Excellency, the Minister for External Affairs of India, is currently visiting Ethiopia. So far his visit was crowned with exceptional success. We all know India is a close friend of Ethiopia. Our relations go back to history and they go beyond state-to-state relationship, they are people-to-people relations. India is playing a critical role in many ways in Africa, in the context of the South, and particularly in Ethiopia. The Minister's visit to Ethiopia has given us ample opportunities to touch base on issues of mutual interest - bilateral, regional and international. We have registered a common vision, common policies and direction on the issues we have touched base. We have also committed ourselves to continue building on the longstanding all-weather relationship. What we have just signed between the Minister and me cover a number of sectors and provides a legal framework for cooperation in those areas. The agreement that we have signed is for establishment of a Joint Ministerial Commission between India and Ethiopia. The other agreements that we have signed are for the promotion and protection of investments. This will facilitate the public and private sector, the vibrant Indian private sector, to invest in Ethiopia. The other agreement that we have signed is in the field of science and technology. I need not emphasise the miracles that India has achieved in this area. We are hoping to benefit, through this agreement, from the successes achieved by India. We have also signed an exchange programme in the field of education which is a lynchpin of the cooperation between our two states. An Ethiopian generation has gone to schools taught by Indian teachers. India is a centre of excellence in many ways and many Ethiopian youth and professionals are benefiting from it. We have also signed a Protocol of consultations between the two ministries.

This would enable the ministries as coordinators of sectors, to continuously and regularly consult with each other on issues of bilateral, regional and international importance. Ethiopia can, and must, benefit from India's democracy. India, as you know, is the largest democracy in the world. Not only the largest, but a vibrant, pluralist democracy. Not only that, but (India

is) the largest democratic federated state. Ethiopia can benefit and learn from the experience of India. This is not a visit that you see every day. This is a unique opportunity, Excellency, which would bring Ethiopia and India to further consolidate their friendly ties. We appreciate this message of encouragement, sympathy and support from you. Thank you Mr. Minister.

EAM (Pranab Mukherjee) : Thank you Excellency. My distinguished colleague, Minister of Foreign Affairs of Ethiopia, Ladies and Gentlemen, and the media, I entirely agree with my distinguished colleague the Minister of Foreign Affairs of Ethiopia on the significance of the protocols we have signed today, numbering five. These will provide us the institutional framework on which we will build up our already existing excellent relationship. Our objective is to expand it, to deepen it, share each other's experiences and expertise for the benefit of the people of these two great countries. Our links are not of contemporary period, our links go back to the days of history. It is a civilisational link. Over the years, our relationship has gone through different phases but never has there been an occasion that there is lack of enthusiasm, understanding each other and lack of spirit of cooperation with each other. Therefore, my visit to Ethiopia, to my mind, is a great achievement in the sense that we have been able to rediscover the areas of our cooperation.

I had a very fruitful and productive discussion with His Excellency, the Foreign Minister of Ethiopia, who has given me a very detailed brief on the regional developments, including the developments on Darfur, Somalia, and on how the process of integration among countries of the African continent in the form of the African Union is going to evolve. Apart from our bilateral relations, we have exchanged views on important regional and international events, including cross-border terrorism, which is going to be the biggest menace to peace and tranquility in the post-cold war era and which is the biggest violator of human rights. We discussed the reform of the United Nations. We do appreciate the legitimate demand and aspiration of the African continent to have a seat in the permanent category in the United Nations Security Council. We are grateful to the Government of Ethiopia which has steadfastly supported the claim of India to be a permanent member of the Security Council, the expanded form of it. We decided to cooperate with each other in various international fora and as far as possible to have a common approach on international issues including the current trade negotiations, economic cooperation, climate change and I am happy to inform you that on all these issues, we found that our perceptions are synchronizing with each other. We share common values,

common views on most of these issues. To me this is a rewarding visit. I thank you Excellency for the warm hospitality extended to me, to members of my delegation and when I go back to India after my visit I carry a part of this sweet memory and sentiment that you have expressed and which I have obtained from the leadership of Ethiopia. Thank you very much.

Mr. Seyoum Mesfin : I would like to bring to the attention of the media if you have missed my earlier remarks, on Ethiopia's strong support to a permanent seat in the United Nations Security Council for India. I told the Minister that what India is asking is not a favour for India but India deserves that permanent seat in the Security Council. Because India, as a member of the family of nations, is distinguished for its role in the negotiations for a fairer world, for its contribution to global peace and security... for this and many other reasons India has a legitimate position to demand a permanent seat in the Security Council and Ethiopia strongly supports this legitimate demand of India. Likewise, India is at the forefront of countries supporting the legitimate African demand that Africa should have a seat in the permanent category. Africa is the only continent not represented in that category.

Question from the media : Has there been any progress regarding visa on arrival for Indians?

EAM (Pranab Mukherjee) : Indeed yes. I have received a very positive response from His Excellency, the Minister, that Indians coming (to Ethiopia) on their arrival would be issued visas. I would also like to share another good news that we have extended a total credit of US\$ 640 million, and for the current financial year US\$122 million, for the rehabilitation, development and modernization of the sugar sector.

Thank you.



458. Statement by External Affairs Minister Pranab Mukherjee on his departure from Ethiopia.

Addis Ababa, July 6, 2007.

My delegation and I were extremely happy to be in Ethiopia. We spent three days on Ethiopian soil and have been touched by the warmth of the welcome and the generous hospitality extended to us by the government and people of Ethiopia. Our historical ties go back in history and we have civilisational links.

My visit was at the invitation of H.E. Mr. Seyoum Mesfin, Minister of Foreign Affairs of the Federal Democratic Republic of Ethiopia. The main purpose was to deepen and widen our traditionally warm relations. We look forward to regular exchange of such visits. I have invited His Excellency the Foreign Minister of Ethiopia to visit India in 2008.

An important result of my meeting with the Foreign Minister was to formalize regular bilateral dialogue focussing on bilateral, regional and global issues among the Foreign Offices and to establish a Joint Commission. I also had productive meetings with Their Excellencies the President, Prime Minister, and the Hon'ble Speaker of Ethiopia, apart from discussions with senior cabinet ministers.

In our bilateral discussions, we have drawn up a forward looking agenda of engagement in the political, trade, economic, science and technology, agriculture, culture, education and other sectors. We have agreed to expand the scope of our cooperation in capacity building, cooperation in education, health care etc. The Agreement on Science and Technology and the Education Exchange Programme which we signed will help accelerate the ongoing capacity building efforts including in agriculture and human resource development.

Our bilateral relationship is to be further diversified and expanded. It was decided to enhance economic and business linkages in both public and private sectors with a greater participation by Indian entities in the infrastructural development of Ethiopia. We signed the bilateral Investment Promotion and Protection Agreement and decided to speed up the finalisation of the Double Taxation Avoidance Agreement to provide the necessary incentives and institutional framework.

We have also discussed regional issues including those pertaining to African

integration, Darfur and Somalia and other international issues engaging the attention of the international community such as the fight against terrorism, climate change, trade issues and UN reforms.

Today, I inaugurated the pilot projects of tele-education and tele-medicine, which India will be implementing on an Africa wide basis. This is a positive example of South South cooperation which uses IT and space technology and generates a multiplier developmental effect.

This morning, I had the privilege of addressing the Foreign Affairs, Defence and Security Committee and the Ethiopia-India Parliamentary Friendship Group of the Ethiopian Parliament. I spoke about our commitment to work towards a substantive enhancement of the broad-based bilateral relationship between the two democracies which also share developmental goals.

In my meeting with the Hon'ble Speaker of the House of Representatives, we discussed ways and means of developing closer association between the Ethiopian and Indian Parliaments. I reiterated India's support for the development of democratic institutions in Ethiopia. We agreed to enhance parliamentary exchanges and agreed to have an Indian parliamentary delegation visit Ethiopia in the near future.

Some of the other highlights of our discussions include:

- U Invitation to Prime Minister and Foreign Minister of Ethiopia to visit India. PM Meles Zenawi has already accepted our Prime Minister's invitation to visit India in November this year for the Federalism Conference.
- U Participation by India in Ethiopian millennium celebrations to revive our ancient civilisational links.
- U Agreement to continue to
 - (a) cooperate against international terrorism including cross border terrorism
 - (b) sustain common positions on climate change, UN Reforms including the need for Africa to be represented as a permanent member on an expanded UNSC and
- U An understanding of how the process of integration is going to work in Africa including the move towards greater consolidation of regional economic groupings.

I took the opportunity of my presence in Addis Ababa, the diplomatic capital of Africa, to chair the Conference of Indian Heads of Missions in Sub-Sahara Africa. The purpose was to take stock of our overall relations and see how best we can move these forward to further mutual benefit.

I also met with the AU Chairperson H.E. Prof Alpha Oumar Konare to carry forward the dialogue we began when he visited India in December last year. We discussed ways and means of further strengthening the India-Africa partnership.

All in all, I have had an extremely satisfying visit. It will be our endeavour to build on the understandings reached during this visit.



459. Agreement between the Government of the Republic of India and the Government of the Federal Democratic Republic of Ethiopia on the establishment of Joint Ministerial Commission.

Addis Ababa, July 5, 2007.

The Government of the Republic of India and the Government of the Federal Democratic Republic of Ethiopia (hereinafter referred to as the "Parties");

TAKING into account the longstanding relations and cooperation that exists between the two countries;

DESIRING to strengthen and consolidate existing political, economic, technical, scientific, social, judicial and cultural cooperation between the two countries;

Have agreed as follows:

Article – 1
Establishment and Composition

1. The Parties hereby agree to establish a Joint Ministerial Commission (hereinafter referred to as "**the Commission**")
2. The Commission shall be held at the level of Ministers or State/Ministers of Foreign Affairs of the parties and shall include ministers, officials and experts responsible for agreed fields of cooperation.

Article - 2
Objective of the Commission

The Commission's objectives shall be:

- a) to consider issues arising in the course of implementation of this Agreement and other cooperation agreements that the Parties may conclude;
- b) to study and propose possibilities for further development of political, economic, technical, scientific, social and cultural cooperation; and
- c) to take decisions on any problem that might arise in the course of implementation of the Agreement based on proposals or recommendations by the relevant committees.

Article - 3
Areas of Cooperation

1. The areas of co-operation shall be political, trade, economic, cultural, scientific, judicial and technical. However, these areas may be extended by a decision of the Commission.
2. The Commission may propose to the Parties the conclusion of the appropriate agreements necessary to give effect to the areas of cooperation.

Article - 4
Meetings

1. The Commission shall convene, alternately in Ethiopia and India, once every two years on dates to be mutually agreed upon through diplomatic channels. The Commission may, however, hold extraordinary meetings upon specific request by either Party.
2. The heads of delegation of the host country shall chair the meeting of the Commission whereas the other Party shall co-chair.
3. Meetings of the Commission may be attended by the necessary number of counselors and experts of the Parties. The Commission shall comprise equal number of Ethiopian and Indian members.
4. Decisions and other conclusions of the Commission, which shall be made by consensus, shall take the form of agreed minutes and be

signed by both heads of delegation. The Commission may issue joint communique at the end of each session.

Article - 5
Agenda

1. The Commission shall conduct its meetings as per the approved working schedule and on agreement between the Chairpersons. Schedules of regular meetings and the preliminary agenda shall be settled by the chairpersons through consultations at least two months before each meeting date.
2. Any amendments or additional issues to the proposed agenda to be discussed by the Commission shall be communicated to the other Party one month prior to the date of a meeting. The Commission shall adopt its draft agenda at the commencement of the meeting.

Article - 6
Decisions

1. In urgent matters the chairpersons shall have the right, with mutual consent, to take decisions in the period between meetings of the Commission. The decisions of the chairpersons shall be included in the agreed minutes of the next meeting of the Commission.
2. Those decisions that, according to the statement of one of the chairpersons have to be approved by authorized bodies of its respective country shall come into force on the date of notification by that chairperson about their approval.

Article - 7
Committees

1. In order to fulfill its tasks or deal with specific matters on agenda the Commission may set up permanent and provisional committees composed of heads of relevant government departments of the Parties. The heads of each committee shall report on their activities to the Commission.
2. The Commission shall determine the tasks, scope of reference and commission of permanent and provisional committees that shall carry out their work as per the plan and decisions approved by the Commission.

**Article - 8
Expenses**

1. Each Party shall bear its own expenses, including hotel accommodation, incurred with regard to its participation in any meetings of the Commission, unless otherwise agreed by the Parties.
2. Expenses for organizing the Commissions meetings and the work of its permanent and provisional committees shall be borne by the country hosting a meeting.

**Article - 9
Settlement of Dispute**

Any dispute arising out of the interpretation or implementation of this Agreement shall be settled amicably through consultations or negotiations between the Parties through diplomatic channels.

**Article - 10
Amendment**

This agreement may be amended only by mutual agreement of the Parties through an exchange of notes through diplomatic channels. The amendment shall enter into force after the procedure laid down under Article 11(1) of this agreement is complied with.

**Article- 11
Entry into Force and Duration**

1. This Agreement shall come into force after the exchange of instruments of ratification by the Parties according to their internal constitutional procedures and shall remain in force for a period of five years, unless terminated by either Party giving a six-month written notice in advance through diplomatic channels of its intention to terminate it.
2. The validity period of this agreement shall be automatically extended for subsequent five years, unless one of the Parties notifies the other in writing of its intention to terminate it six months prior to the expiry date.
3. Termination of this Agreement shall not affect programmes or projects

Done at Addis Ababa on this 5th day of July 2007 in the Hindi and English

languages, each in two original copies, all texts being equally authentic. In case of discrepancy, the English text shall prevail.

Pranab Mukherjee
Minister of External Affairs

Seyoum Mesfin
Minister of Foreign Affairs

**For the Government of the
Republic of India**

**For the Government of the
Federal Democratic Republic of
Ethiopia**



460. Protocol for Consultations between the Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Federal Democratic Republic of Ethiopia.

Addis Ababa, July 5, 2007.

The Ministry of External affairs of the Republic of India and Ministry of Foreign Affairs of the Federal Democratic Republic of Ethiopia hereinafter referred to as “the Ministries”;

IN THE SPIRIT of the friendly ties and cooperation between the two countries;

AIMING at promoting bilateral relations in various fields;

ACKNOWLEDGING the usefulness of exchanges of opinions and consultations between the two countries at different levels;

Have AGREED as follows: -

Article 1

The Ministries agree to hold regular meetings at the level of Ministers, as appropriate at the level of State Ministers or Director-Generals of the Ministry of Foreign Affairs alternately in the capitals of the two countries for consultation on their bilateral relations as well as on regional and international issues.

Article 2

The Ministries agree to facilitate consultation between high-ranking officials of the two countries participating at international conferences with a view to exchanging information, coordination and cooperation on issues of common interest and concern.

Article 3

The Ministries shall also promote coordination, consultation and exchange of information between their respective diplomatic missions accredited to third countries and to international organizations on issues of common interest.

Article 4

The Ministries shall hold consultations to promote exchange of experiences and mutual assistance in training of diplomatic personnel. They shall explore the possibilities of co-operation between their diplomatic training institutions and the exchange of lectures in such institutions.

Article 5

1. The provisions of this Protocol shall be without prejudice to any other treaty or agreement to which any of the Ministries has obligations.
2. The present Protocol may be modified or amended by agreement of the Ministries.

Article 6

The protocol shall enter into force on the date of signature and remain in force for a period of five years. Thereafter, it may be automatically renewable for successive periods of one year at a time, unless either Party notifies the other in writing, of its intention to terminate this Protocol six months before the date of its expiration.

IN WITNESS WHERE OF, the undersigned being duly authorized thereto by their respective Ministries have signed this Protocol.

Done at Addis Ababa on this 5th day of July 2007 in the English and

Hindi languages, each in two original copies, both texts being equally authentic. In case of discrepancy, the English text shall prevail.

Pranab Mukherjee
For the Government of
the Republic of India

Seyoum Mesfin
For the Government of the
Federal Democratic Republic of Ethiopia



GABON

461. Press Release of the Ministry of Defence re: Providing Expertise to Gabonese Defence Personnel in disaster management, training and healthcare.

New Delhi, November 6, 2007.

India will provide expertise to the small defence forces of the Central African Republic of Gabon in disaster management, training and healthcare. This was agreed during talks between the visiting Senior Minister for National Defence of Gabon, Mr. Ali Bongo Ondimba and the Defence Minister Shri AK Antony in New Delhi last night. Shri Sanjeeva Kumar, Joint Secretary in the Defence Ministry, later gave a presentation on the potential for cooperation during the delegation level talks.

Ties between the two countries have been expanding since the visit of a high-level Ministerial delegation led by the Gabonese President Mr. El Hadj Omar Bongo Ondimba to India in May last year. India offered a \$14.5 million Line of Credit to Gabon for a housing project during the visit of Gabonese Deputy Minister of Housing Development in July, this year. However, there have been no high-level visits to Gabon from the Indian side.

Gabon, which is slightly bigger than Uttar Pradesh in size, has a very small military of about 10,000 personnel, divided into army, navy, air force and national police. Besides, France, who ruled Gabon for 75 years till 1960, maintain a battalion of 750 marines in the African nation located on the Atlantic Coast. Gabon, whose oil sector accounts for nearly half its GDP, quit the Organisation of Petroleum Exporting Countries (OPEC) in 1995.



462. Memorandum of Understanding on Consultations between the Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Socialist People's libyan Arab Jamahiriya.

New Delhi, March 23, 2007.

The Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Socialist People's Libyan Arab Jamahiriya, hereinafter referred to as "the Parties".

Mindful of traditional friendly relations between their countries and peoples;

Desirous of further developing and strengthening their friendly relations, cooperation and mutual understanding;

Considering that their cooperation and mutual understanding would contribute further to promoting international peace and security;

Conscious of the usefulness of regular consultations and exchanges between the two countries at different levels on bilateral relations and international matters of common interest;

Reaffirming their adherence to the Purposes and Principles of the United Nations Charter,

Have agreed as follows:

ARTICLE 1

The Parties shall hold regular consultations to review all aspects of their bilateral relations and to undertake exchange of views on international issues of mutual interests and interaction in the international arena.

ARTICLE 2

Consultations on bilateral relations shall include all areas, especially political, as well as economic, commercial, scientific, technical and cultural cooperation.

It shall include consultations by representatives of the two countries in international organizations, conferences and meetings,

ARTICLE 3

Consultations within the framework of this Memorandum of Understanding

will be held once every year, alternately in Tripoli and New Delhi at the level of Secretary or equivalent.

Dates, place and agenda for the consultations shall be determined mutually through diplomatic channels.

ARTICLE 4

The provisions of this Memorandum of Understanding shall be without prejudice to any other treaties or agreements to which both countries are parties.

ARTICLE 5

Any differences or disputes that may arise for the implementation of this Memorandum of Understanding shall be settled by mutual consultations between the Parties.

ARTICLE 6

The present Memorandum of Understanding shall enter into force on the date of its signing and shall remain in force for a period of five years. It may be further extended for subsequent periods of five years at a time, unless either of the Parties gives to the other a written notice six months in advance of its intention to terminate it before the date of its expiry.

Done at New Delhi on this 23rd March, 2007 in two originals each in the Hindi, Arabic and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**The Ministry of External Affairs of
the Republic of India**

**(N. Ravi)
Secretary**

**The Ministry of Foreign Affairs of
the Socialist People's Libyan Arab
Jamahiriya**

**Mohamed Al-Barani
Secretary for Asian Affairs**

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463. Briefing Points by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Libya.**New Delhi, May 27, 2007.**

- U External Affairs Minister Shri Pranab Mukherjee was received for a one-hour discussion by Libyan leader H.E. Col. Muammer Al Gaddafi at his desert camp near the coastal town of Sirte.
- U The wide ranging discussions were held in a very warm and cordial atmosphere. Traditional friendship between the two countries, India's support for Libya's position and principled opposition to sanctions were recalled.
- U Bilateral cooperation, particularly cooperation in the oil and petroleum sectors, as well as human resource development were discussed. Col. Gaddafi said that the sky is the limit for cooperation between the two countries.
- U While discussing regional issues, EAM briefed the Libyan leader on developments in SAARC, India-Pakistan composite dialogue, India-China relations as well as Trilateral India-Russia-China dialogue. India's relations with Africa and greater cooperation in this regard were also discussed. Col. Gaddafi said that he would himself work towards further strengthening India-Africa partnership.
- U On international issues, discussions focused on the need for reform in the UN, including the UN Security Council structure. Col. Gaddafi reiterated that India has a right to have a permanent seat on the UN Security Council.
- U EAM handed over a letter from Prime Minister Dr. Manmohan Singh inviting Col. Gaddafi to visit India. The Libyan leader said that he looked forward to visiting India.



MAURITIUS

464. Briefing Points by Official Spokesperson on the visit of External Affairs Minister Pranab Mukherjee to Mauritius (17-19 December, 2007).

New Delhi, December 18, 2007.

- External Affairs Minister Shri Pranab Mukherjee is in Mauritius to co-chair the 10th India-Mauritius Joint Commission Meeting. In this context, today EAM called on the Mauritian Deputy Prime Minister and Minister of Finance and Economic Development, H.E. Ramakrishna Sithanen. External Affairs Minister then proceeded to the opening ceremony of the 10th JCM.
- EAM called on the Mauritian Minister of Foreign Affairs, International Trade and Cooperation, H.E. Madan Murlidhar Dooloo. During the course of this meeting, a Memorandum of Understanding for the Establishment and Development of the Institute of Diplomacy and Foreign Trade in Mauritius was signed between India and Mauritius.
- After this engagement, EAM proceeded for the signing of the Agreed Minutes of 10th India-Mauritius Joint Commission Meeting, with Minister Ramakrishna Sithanen. EAM also subsequently addressed a Joint Press Conference along with Minister Ramakrishna Sithanen and Minister Madan Murlidhar Dooloo.
- EAM will also call on the President and the Prime Minister of the Republic of Mauritius later.



465. Briefing Points by Official Spokesperson on the 10th India-Mauritius Joint Commission Meeting held in Port Louis on December 18, 2007.

New Delhi, December 19, 2007.

- In the period approaching the fortieth anniversary of independence of Mauritius, the two sides recalled the historic collaboration, including active assistance from India that led to this event.
- Relations have gone from strength to strength and the two sides agreed to work together to deepen this relationship.
- India thanked Mauritius for its steadfast support to India's candidature for the permanent membership of the UN Security Council as also for the crucial role Mauritius has played in forging India's relations with regional economic communities such as COMESA and SADC as well as the African Union.
- The two sides noted the importance of reinforcing cooperation in combating international terrorism and related matters. The next meeting of the Joint Working Group is scheduled for 21-22 January 2008 in Mauritius.
- The two sides agreed to continue with the ongoing schedule of hydrographic surveys.
- Both sides agreed to carry forward the ongoing cooperation in the exploration and exploitation of hydrocarbon in the Mauritian EEZ.
- Alliance to develop Mauritius as a services centre and seize the opportunities that the globalised world offers to both countries- the Mauritian side was requested to make concrete proposals for the consideration of Indian authorities.
- Developing Mauritius into a Knowledge hub- the Mauritian side expressed interest to attract Indian Universities to set up offshore campuses in Mauritius and use Indian expertise to design and deliver courses in areas supportive of regional integration.
- Both parties agreed to deepen bilateral economic cooperation by encouraging their private sectors to explore, develop and implement joint projects or activities relating to trade and investment, in areas

of mutual interest for example bio-fuel, agro industry and Biotechnology, Pharmaceuticals, Fisheries, Textile and Fashion, Banking and Finance, Mining and Mineral, and Infrastructure.

- Pan African e-network- The Indian side informed of the plan to operationalise the project in March 2008.
- The request of the Mauritian side for co-terminal rights for Air Mauritius to operate on the Mauritius- Bangalore- Chennai sectors on a provisional basis has been granted.
- The Joint Working Group on shipping will meet in January 2008.
- The two sides agreed to renew the Memorandum of Understanding on Agriculture at an early date. They also agreed to conclude the Agreement on Plant Health Protection at the earliest.
- The Mauritian side submitted the list of projects under the US\$ 100 million Line of Credit offered during the visit of the Prime Minister of Mauritius to India in October 2005. These will be very expeditiously processed.
- Both sides agreed to make optimum use of the training and scholarship programmes under the ITEC/SCAAP programmes and under the various Scholarship Schemes.
- The two sides agreed to the renewal of the Programme for Cultural Cooperation for the period 2008 to 2010.
- Aapravasi Ghat- The Mauritian side said that it would forward specific project proposal regarding equipment for the Interpretation centre, and expertise for renovation of the site. Indian side would address these in a positive spirit.
- Both sides agreed to examine the setting up of a Virtual Agri-Business Incubator operating within an international network to provide supporting services for business development to potential agricultural entrepreneurs.
- Rajiv Gandhi Science Centre- The Mauritian side requested the Indian side to renew exhibits and provide technical assistance to the Centre. It also plans to set up a hybrid planetarium. The Indian side expressed its willingness to provide equipment, fresh exhibits and expertise.

- Cooperation in the field of non-conventional energy sources- The two sides agreed to expedite the initiatives and activities identified within the context of the MOU namely – o project for wind resource assessment in Mauritius;o setting up of a specialised renewable energy centre in Mauritius;N o Solar Energy Assessment.
- The delegations noted the importance of supporting the development of SMEs both as avenues for employment creation, poverty alleviation and economic democratisation.



NIGERIA

466. Media Briefing by Secretary (West) in Ministry of External Affairs Nalin Surie on Prime Minister's visit to Nigeria.

New Delhi, October 9, 2007.

Prime Minister will be paying an official visit to Nigeria from 14 - 16 October, 2007 at the invitation of the President of the Federal Republic of Nigeria, H.E. Mr. Alhaji Umaru Musa Yar'Adua.

Relations between India and Nigeria have traditionally been friendly and warm. Both countries are members of the Commonwealth, the United Nations, G-77 and NAM. India had established its diplomatic representation in Nigeria in 1958 even before Nigeria attained independence in 1960.

Both India and Nigeria are multi-religious, multi-ethnic, multi-lingual and plural societies. Both are democracies. Nigeria is India's largest trading partner in Africa. In 2006-07, trade between our two countries was USD 7.9 billion. Nigeria is one of India's largest supplier of crude oil. A number of Indian companies (both public and private) have operations in Nigeria. This includes Indian oil companies. India has had a long-standing defence relationship with Nigeria and we have been involved in training of Nigerian defence personnel and setting up of military training institutions in that country.

Nigeria is a leading member of the African Union and exercises great influence not only in the entire continent but also in West Africa. Cooperation between our two countries at the United Nations has always been close, including on issues such as the fight against international terrorism. Our two countries have very similar views on reform of the UN Security Council and other critical issues on the global agenda such as climate change, the Doha Development Round and issues pertaining to development.

During his visit, Prime Minister will hold extensive discussions with President Yar'Adua on issues of bilateral, regional and multilateral interest. He will also address a joint session of the Nigerian Parliament. The Economic Management team of the Nigerian President will meet with him and the President of ECOWAS will call on him. At the end of the visit, we will issue a substantive joint statement. Some Agreements/MOUs are also under preparation for signature.

It is our expectation that during Prime Minister's visit, the commonalities and complementarities that exist between our two countries would be further

strengthened and a roadmap for the further development and diversification of our bilateral relations will be laid out. The visit will strengthen our traditionally close partnership with Nigeria.

Question: When was the last Prime Ministerial visit from India to Nigeria, or for that matter to an African country on a bilateral visit?

Secretary (West): The last bilateral visit to Nigeria was in September 1962 by Pandit Jawaharlal Nehru.

Question: How is India's trade with Nigeria compared with China's trade with Nigeria?

Secretary (West): India's trade is less than Chinese. I cannot offhand remember China's trade with Nigeria. But I am sure it is much larger than ours. You must remember that India is, in comparison with China, a relatively smaller trade player globally.

Question: Are we signing any agreements?

Secretary (West): Yes, several MoUs will be signed.

Question: Are we taking up some new fields or some new exploration blocks? What are we doing in the oil sector?

Secretary (West): As you know, Nigeria is already one of our largest suppliers of oil. Last year it provided eleven per cent of our crude requirement. Indian public and private companies are already active in Nigeria in the oil sector. This is an area of cooperation which already exists between our two countries.

Question: But no new projects?

Secretary (West): New projects will come with time. We are interested and we have to wait for their gas and oil fields for exploration purposes. There are various contracts under way. NTPC for instance is negotiating with them.

Question: What is the size of Indian community in Nigeria?

Secretary (West): It is 20 to 25 thousand plus. It is difficult to give an exact number. There are old settled Indians, there are a lot of entrepreneurs, there are a lot of professionals. The Chellarams for instance are famous in Nigeria. They have been there forever.

Thank you.



467. Remarks by Prime Minister Dr. Manmohan Singh at the Reception hosted by the High Commissioner of India.

Abuja, October 14, 2007.

High Commissioner and Mrs. Viswanathan,

Distinguished Guests, Fellow Indians,

Let me wish you all "Eid Mubarak" and in advance, "Happy Diwali". I Hope the festive season brings each one of you and your families joy, success and happiness.

My wife and I are delighted to be in Nigeria. Ever since our arrival we have been made to feel at home. The warmth of the reception and the graciousness of the hospitality have overwhelmed us.

India and Nigeria share many commonalities. Our historical experience and common developmental challenges have brought us close together. We share common hopes and aspirations. India is the largest democracy in the world and Nigeria is the largest democracy in Africa. We are multi-ethnic, multi-religious and multi-lingual countries governed by system of plural democracy.

India's partnership with Nigeria and with Africa is important for us. We now seek to build on the goodwill that exists between us to shape a strong contemporary partnership that is multi-faceted and mutually beneficial.

During my Visit, I Look forward to holding extensive discussions with President Yar'adua and his Colleagues have been given the honour of addressing the Nigeria parliament and am Looking forward to this opportunity. It will be our intention to place India and Nigeria on a higher and qualitatively new footing.

Nigeria is India's largest trade partner in Africa. It also plays an important role in meeting India 's quest for energy security. Indian companies, both public and private, have found willing homes in Nigeria.

To our Nigerian friends present here today I wish to convey the warm greetings of the people of India. We greatly value your unstinting contribution to strengthening our traditional friendship and to diversifying our relationship in a Meaningful manner.

To members of our India community let me say that India is proud of you. You are our bridge that unites India and Nigeria. You have acquainted

yourself most creditably. You have contributed to the development of friendship and goodwill between our countries. You have also contributed to the development of Nigeria by your initiative, enterprise and hard work.

India teachers and doctors who came in the 1970s and 80s are still remembered fondly in Nigeria. I am told that Indian Industry and business is the second largest employer in Nigeria. Your contribution in the area of social work, especially in the health sector is widely appreciated.

As a people we value the virtues of tolerance and co-existence among cultures, language, religions, political and social views and different way of life. I believe that this background has something to do with the remarkable adaptability and resilience of India communities all over the world.

While commending the success of India here, I would also like to pay tribute to the openness of the Nigeria society, which has created an enabling climate for our people to do well and to flourish.

The government attaches the highest importance to the safety and security of our citizens living abroad. We have been assured at the highest level of the host government that this is a matter that is being given high priority. Our mission will offer all necessary assistance to our citizens in distress.

We are engaged in efforts for the social and Economic transformation in the framework of an open society and an open economy, committed to the rule of law and to fundamental human freedoms. Our success in combining will have a profound impact o the world.

We are a rapidly growing economy and we are earning acclaim for the the quality of our human resources. We are confident that in the coming years we can continued to sustain a growth rate of between 9-10 percent. We need this rapid growth to meet our socio-economic objectives and to rid our country of chronic poverty. India offers limitless opportunities and is looking to its overseas communities to contribute their might.

India has entered an exciting new phase. It is a vibrant and self-confident nation. I invite you all to contribute your spirit, endeavour and enterprise in the service of your homeland.

Thank you.



**468. Speech by Prime Minister Dr. Manmohan Singh at the
Joint Session of the Nigerian National Assembly.**

Abuja, October 15, 2007.

"India, Nigeria and our 'Partnership with Africa' in the 21st Century"

Hon'ble President of the Senate Mr. David Mark,

Hon'ble Speaker of the House of Representatives Ms. Patricia Etteh,

Distinguished Members of the National Assembly,

I am deeply honoured by this opportunity to address you here today in this new temple of your democracy. I am also delighted to be in this beautiful city of Abuja, which symbolizes a dynamic Nigeria and a new dawn in the life of an ancient people.

I stand before you to convey to the people of Nigeria the greetings and good wishes of over a billion Indians. We have been your brothers and friends of long standing.

This is the fiftieth year of our diplomatic relations. In these fifty years, we have associated closely with your efforts for the liberation of Africa and for wiping out the indignities of apartheid from the continent. We have worked together in the Nonaligned Movement to promote South-South linkages for development. More recently we carried this partnership into the G-20 framework.

Today, our two countries have launched a Strategic Partnership that would augment these traditional links with exciting new opportunities for our collaboration. I would highlight some major aspects of this Partnership.

Ladies and Gentlemen,

There is a natural logic in ties between the largest democracy in the world and the largest democracy in Africa. We are multi-religious, multi-ethnic and multi-lingual societies. Our societies embrace modernity while preserving their traditions, and prove, in their practice of pluralism, that diversity can strengthen societies. The success of diverse democracies like Nigeria and India is important to prove that democracy and development go hand in hand.

The principal challenge before us remains the socio-economic development

of our people. Economic growth has to be accompanied by a better distribution of its benefits. The information revolution and higher levels of literacy have raised popular expectations. Disparities are leading to social tensions. Our bilateral cooperation must make a real difference to these problems.

Ours is a partnership for peace, stability and security. Without peace, there cannot be sustained economic progress. Both India and Nigeria seek peace and stability in their neighbourhood. Nigeria's contributions to conflict resolution in Africa are well known. India has also been active in peacekeeping efforts in this continent over the past six decades. We are united in our condemnation of terrorism as a grave threat to humankind. We seek to upgrade our cooperation on security matters to meet these emerging threats and challenges to our social fabrics.

It is a partnership for economic growth. There are many complementarities in our rapidly growing economies. Nigeria is already India's largest trading partner in Africa, but we can vastly expand and diversify our trade. The promotion of small and medium industries is a priority area of cooperation.

There has recently been a surge in Indian investment abroad in infrastructure, energy, pharmaceuticals and automobiles. We would like to see this investment thrust extending into Nigeria. Our two countries can promote human resource development and transfer of technologies in key areas of the knowledge economy like information technology and biotechnology. India is well placed to offer cost effective transportation systems particularly in the railways sector.

Our partnership is for development. We need to share experiences on effective strategies for sustainable development, poverty alleviation, effective healthcare facilities and universal education. In this context, being largely agrarian societies, we need to emphasize on cooperation in agricultural research, soil and water management, and food processing.

It is a partnership for energy security. Energy security is a vital prerequisite for sustained growth and sustainable development. Nigeria's rich natural resources provide the firm base for our mutually beneficial cooperation for energy security. India and Nigeria should also promote research and development in efficiency of energy production, clean technologies and renewable sources of energy.

Finally, it is a partnership to steer the global political and economic agenda towards addressing the legitimate concerns of developing countries.

We need to jointly seek changes in the international financial and trading system to make it development-friendly. The crushing burden of debt on the poorest of the poor, and barriers to trade in the form of restricted market access and distortions in subsidies need to be removed.

We have a vital interest in preserving and promoting the effective role of the United Nations. For this, the structure and functioning of the organization has to reflect contemporary global realities and it has to become a truly representative world body.

India is grateful for Nigeria's support for its permanent membership of an expanded Security Council. We also believe that no reform of the Security Council would be complete without adequate representation from Africa. We support Nigeria's view that the General Assembly should resume its role as the pre-eminent organ of the United Nations, as originally envisaged in the United Nations Charter.

I believe that these elements define for us a coherent plan of action which would set the trajectory of our bilateral and multilateral cooperation in the next few decades. Leaders in government, parliament, industry and civil society in both our countries have to commit themselves to this concept to translate it into action. Greater exchanges between our parliamentarians will be an important step in this direction.

Partnership with Africa

Honourable Members,

India also has a vision for a Partnership with Africa for the 21st century. I believe it is very appropriate that I discuss it with you in Nigeria, because your support and commitment are critical to realizing this vision. Our first Prime Minister, Pandit Jawaharlal Nehru, while addressing this Assembly in 1962, said - and I quote:

"Of one thing there can be no doubt, and that is the vitality of the people of Africa. Therefore, with the vitality of her people and the great resources available in this great continent, there can be no doubt that the future holds a great promise for the people of Africa."

It is on this promise that we envision an Africa that is self-reliant, economically vibrant and at peace with itself and the world. Through the Partnership with Africa, India will offer its fullest cooperation in utilizing the vitality of the African

people and the resources of the continent to fulfill the promise of a resurgent continent.

Our partnership will be based on the fundamental principles of equality, mutual respect and mutual benefit, which would strengthen the trust and understanding between our peoples.

Our rich cultural and historical legacies are a common heritage of all humankind. We will incorporate in our partnership with Africa the importance of protecting civilizational identities and preserving cultural diversities.

We will promote the multi-faceted expansion of our economic relationship. The objective would be not just a quantitative increase in trade and investment, but also a qualitative enhancement of economic competitiveness and technological capabilities.

Indian companies are fast becoming major investors in Africa. We will encourage such investments in a manner that contributes to Africa's economic growth and socioeconomic development.

India has extended concessional lines of credit to promote economic activity and for developmental projects in a number of African countries. We have contributed to the New Partnership for Africa's Development (NEPAD) and ECOWAS. India launched the TEAM-9 initiative - a project-based technical assistance programme for the West and Central Africa. We propose to have a focussed dialogue with African leaders to evaluate the effectiveness of these efforts and to enhance their relevance to national economic targets.

We shall aim to develop and enrich our intellectual capital and human resources, including through the use of modern science and technology.

The India-Africa technical cooperation programme today involves an outlay of over one billion US dollars. Annually over 15000 African students study in India. Many Indian engineers, doctors, accountants live and work in Africa.

The Pan African E-network project, that seeks to bridge the 'digital divide' between Africa and the rest of the world is one of the most far-reaching initiatives undertaken by India. This Project envisages connecting 53 nations of the African Union through a satellite and fibre optic network that will provide effective communication and connectivity among themselves. The project also envisages connecting regional centres in Africa to institutions in India to provide tele-education and tele-medicine facilities.

We will work steadfastly for the preservation of our ecology and environment

and collaborate on local solutions to problems such as climate change and conservation of scarce resources. We wish to learn from the work of African environmentalists who have pushed the frontiers of discourse on sustainable development to embrace democracy, human rights and women's rights.

We will establish a sustained dialogue to identify joint approaches on issues such as combating terrorism, nuclear disarmament, proliferation of weapons of mass destruction, trafficking of small arms and narcotics.

We will aim for much greater convergence with Africa on key developmental issues. We will work closely with the African Union in promoting the achievement of the Millennium Developmental Goals. We will share our experiences with African countries on holistic approaches to the problems of poverty, food security, healthcare deficit and denial of education.

Ladies and Gentlemen,

As we confront the opportunities and challenges of globalization, we need to upgrade and adjust the content of our traditional relations to respond to contemporary realities. This is the transformation that we propose in our Strategic Partnership with Nigeria and in our Partnership with Africa in the 21st century.

To continue the dialogue on our 'Partnership with Africa' and to fine tune its constituent elements, India will host the first India-Africa Forum Summit in 2008. We would deeply appreciate Nigeria's support for this important initiative.

Honourable Members, I have shared some of my thoughts with you with candour, and the confidence that comes from speaking to close friends. I thank you for your attention.



469. Abuja Declaration on Strategic Partnership between India and Nigeria signed during the visit of Prime Minister Dr. Manmohan Singh to Nigeria.

Abuja, October 15, 2007.

His Excellency Dr. Manmohan Singh, Prime Minister of the Republic of India paid an official visit to Nigeria from 14-16 October 2007 at the invitation of His Excellency Umaru Musa Yar'Adua, President of the Federal Republic of Nigeria. During his visit, he held intensive and fruitful discussions with President Yar'Adua and addressed a joint session of the two houses of the Nigerian National Assembly.

India and Nigeria are linked by common historical experiences and in the contemporary context are united in the desire to work towards democratic pluralism, tolerance, economic development and social justice. Both are multi-religious, multi-lingual and multi-ethnic societies with a vibrant media and civic society. They are both members of the United Nations, the Commonwealth, the G-77 and NAM and have a history and tradition of working closely together in regional and international organizations.

The leaders of both sides reiterated the importance of ensuring socially inclusive economic growth in their countries. They agreed that exchange of experiences and programmes between the two countries with respect to poverty alleviation would be of great benefit to each other and to other countries in Africa.

Nigeria is India's largest trading partner in Africa and the potential and opportunities for substantially enhancing trade and investment between the two countries are largely untapped. Both sides agreed to significantly enhance mutually beneficial trade and investment exchanges with each other's countries in sectors such as infrastructure (including railways), agriculture, food processing, small and medium enterprises, power generation, fertilizers, ICT, pharmaceuticals, automobiles, auto-components and other sectors. In this context, the two leaders desired that the fifth meeting of the Joint Commission be held within the next few months and should draw up a detailed roadmap for this purpose.

The Indian side expressed its thanks to the Nigerian side for the rapidly growing partnership between the two countries in the energy sector. They confirmed the understanding that both governments would continue to encourage further cooperation between their companies in the oil and gas sectors of both countries.

India and Nigeria have had longstanding cooperation in defence matters. Both sides agreed to further strengthen such cooperation and expand its ambit. In this context, India agreed to establish two IT laboratories in the defence academies of Nigeria. Both sides also agreed to enhance cooperation in respect of UN peacekeeping operations in which their countries have traditionally played and continue to play an important role.

Both sides stressed the need to enhance air and maritime connectivity between the two countries. They instructed that a new Civil Aviation Agreement should be entered into within six months and further efforts should be made to improve maritime connectivity.

Nigeria and India have a good tradition of cooperating in the fight against international terrorism and drug trafficking. It was agreed that such cooperation shall be enhanced and for this purpose appropriate agreements would be signed. Both sides also reiterated their unequivocal condemnation of terrorism in all its forms and manifestations. They stressed that there was no justification whatsoever for any act of terrorism.

Both sides agreed to strengthen cooperation in culture, education, health, S&T & ICT sectors. Exchanges among Parliamentarians, youth and civil society would also be further encouraged and developed.

The Indian side conveyed to the Nigerian side its intention to further strengthen its cooperative partnership with Africa; a partnership that dates back to Africa's struggle against colonialism and apartheid. It is India's intention to renew its partnership and upgrade its content with a view to meeting contemporary African requirements. The Nigerian side expressed its appreciation for India's consistent and longstanding support to Africa and to African causes and conveyed its happiness at India's intention to host an India-Africa Forum Summit in India in April 2008. Nigeria would be happy to participate in that Summit which is intended to focus on finding ways and means by which India could further enhance its support to the countries of Africa to meet their socio-economic developmental objectives.

Both sides reiterated the importance they attach to matters pertaining to climate change and agreed that the solution to the problem of climate change, which is essentially the outcome of the unsustainable production and consumption patterns in the developed world, cannot lie in the perpetuation of poverty in developing countries. Developing countries cannot accept approaches that impede growth and retard poverty alleviation obligations. They agreed that both sides would cooperate closely, along

with other developing countries, at the UNFCCC and also within the framework of the Kyoto Protocol.

Prime Minister Manmohan Singh and President Yar'Adua recalled that both India and Nigeria are members of the G-20 and G-33 and stressed the importance of continuing close coordination between the two governments to effectively realize the development dimension in every aspect of the outcome of the negotiations on the Doha Developmental Agenda. They reiterated the urgent need to successfully complete the Doha Round in order to promote the interests of the developing countries in keeping with the Doha mandate.

Nigeria is a leading member of the African Union and of ECOWAS. Prime Minister Manmohan Singh conveyed to President Yar'Adua that India attaches particular importance to exchanging views with the government of Nigeria not only on matters pertaining to Africa and West Africa but also on critical matters on the global agenda.

India and Nigeria cooperate closely at the United Nations. In this context, both sides stressed the need to promote democratization of the structures of global governance by increasing the participation of developing countries in their decision making bodies. They recalled that both India and Nigeria had co-sponsored the recent draft resolution pertaining to the UN Security Council reform process which the two countries had tabled along with other African, Asian, Caribbean and Pacific Island States at the recently concluded 61st Session of the UN General Assembly.

India and Nigeria reaffirmed their understanding that no reform of the United Nations would be complete without reform of the UN Security Council. Nigeria reaffirmed its support for India's permanent membership on an expanded UN Security Council. India will respect Africa's consensus with respect to new permanent membership from Africa.

The two leaders also had a detailed exchange of views on regional issues of mutual interest in Africa, the Asia Pacific and on international issues.

During the visit the following agreements were signed:

- U MoU between Foreign Service Institute and the Nigerian Foreign Service Academy
- U MoU between Indian Council for World Affairs (ICWA) and Nigerian Institute of International Affairs

- U Protocol for Foreign Office Consultations
- U MoU on Defence Cooperation

It was agreed that to enhance and broad base cooperation, the following agreements would be finalized and signed within the next six months:

- U Double Taxation Avoidance Agreement
- U Bilateral Investment Promotion & Protection Agreement
- U Bilateral Inter Governmental Science & Technology Agreement
- U Bilateral Air Services Agreement (renewal of 1976 agreement)
- U Mutual Legal Assistance Treaty- Extradition Treaty
- U Trade Agreement
- U Agreement on Cooperation against trafficking of Drugs etc.
- U Cultural Exchange Programme 2008-2010

The Nigerian side described Prime Minister Manmohan Singh's visit as a landmark in bilateral relations. Taking into account the commonalities and complementarities between the two countries it was agreed to establish a Strategic Partnership between India and Nigeria that would cover bilateral political, economic, trade, security, cultural, education, S&T and international dimensions.

Prime Minister Manmohan Singh expressed his gratitude to the Government and people of Nigeria for the hospitality and warm welcome received by him and his delegation. He invited President Yar'Adua to pay a State visit to India at a mutually convenient date. The invitation was accepted with pleasure. PM Manmohan Singh also expressed his happiness that President Yar'Adua had designated a high-level delegation led by the Vice President, Dr Goodluck Jonathan, to represent him at the 4th International Conference on Federalism" in New Delhi in November 2007. That occasion would provide another opportunity for the leadership of the two countries to exchange views on issues of topical interest.



470. Memorandum of Understanding (MOU) between the Ministry of Defence of the Government of the Republic of India and the Ministry of Defence of the Government of the Federal Republic of Nigeria concerning Defence Cooperation.

Abuja (Nigeria), October 15, 2007.

PREAMBLE

The Government of the Republic of India and the Government of the Federal Republic of Nigeria, hereinafter referred to as "Parties", and separately as a 'Party';

ACKNOWLEDGING the mutual benefits inherent in defence cooperation between the parties;

RECOGNISING that the implementation of such cooperation shall be in accordance with the policies and priorities of the respective Parties, and in accordance with the conditions as mutually determined from time to time between the Parties;

DESIRING to further strengthen the bilateral relations between the Republic of India and the Federal Republic of Nigeria;

HAVE AGREED as follows-

ARTICLE 1

'The aim of the MOU is to enhance defence cooperation through the exchange of experiences and knowledge between the Parties.

ARTICLE 2

The Parties entrust the implementation of this MOU to their respective Ministries of Defence.

ARTICLE 3

The cooperation between the defence authorities of the Parties will include following defence and military activities :

- a. Exchange of expertise in military training and information technology;

- b. Mutual utilisation of military and educational courses and programmes like seminars, symposia, workshops, etc.;
- c. Facilitate contact and cooperation between defence-related agencies, institutions, organizations and / or industries in their respective countries in respect of technology transfer, exchange of technical information, joint projects & ventures, sourcing of components, co-production, joint marketing, technical assistance, research and development, subject to full compliance of the applicable issues, rules and regulations;
- d. Exchange information that is mutually beneficial;
- e. Exchange of visit of personnel, ships and aircrafts;
- f. Endeavour to cooperate in joint exercises and training; and
- g. Collaborate in other spheres' of Defence Cooperation for purpose of mutual benefit.

ARTICLE 4 FORMATION OF JOINT COMMITTEE

The two parties shall form a joint committee. The committee would meet when necessary to study future military cooperation between the two Parties.

ARTICLE 5 PROTECTION OF CLASSIFIED INFORMATION

Subject to their laws, the Parties shall protect classified information exchanged in the following manner:

The parties shall not disclose any classified information obtained under this or, any MOU, other than to members of their own staff who have been cleared to the appropriate level by their respective Governments, and to whom such disclosure is essential for the purposes of giving effect to this MOU or to an/ other further MOU and only after having taken all reasonable precautions to adhere that such members of staff shall at all time maintain strict secrecy. The Parties shall not use any classified information obtained during any bilateral cooperation between them to detriment or against the interests of the other party.

**ARTICLE 6
FINANCIAL ARRANGEMENT**

The financial arrangement and the terms thereof shall be mutually determined and adopted by the Parties in conformity with their respective internal legislations.

**ARTICLE 7
DISPUTES**

Any differences or disputes between the parties arising from the interpretation or implementation of this MOU shall be settled amicably through consultation and negotiation between the representatives of the respective Ministries of Defence. It shall not be referred to any tribunal or third party.

**ARTICLE 8
FUTURE MOUs**

In regard to any particular matter covered by the provisions of this MOD, the parties may enter into such further arrangements of a general or specific nature as would in their opinion promote the effective implementation of this MOU.

**ARTICLE 9
AMENDMENTS**

The MOU may be amended at any time by mutual consent of the Parties in writing and this amendment shall be deemed to be an integral part of this MOU, with effect from the date of such amendment.

**ARTICLE 10
DURATION**

The MOU shall remain in force for a period of five (5) years and shall be automatically extended for two (2) years at a time unless terminated earlier by either Party upon six (6) months prior written notice to the other Party of its intention to terminate this MOU.

**ARTICLE 11
TERMINATION**

This MOU may be terminated by either Party by giving six (6) months notice in writing of its intention to terminate this MOU. Upon expiry of the period of

six (6) months, the MOU shall stand terminated. Notwithstanding the termination of this MOU, the activities already in progress shall continue until completed.

Classified information exchanged between the parties prior to the effective date of termination shall continue to be protected under Article 5 notwithstanding the termination of this MOU.

**ARTICLE 12
ENTRY INTO FORCE**

This MOU shall enter into force on the date of the last Note whereby one Party conveys to the other, through diplomatic channel, the fulfillment of the formalities required by their respective internal juridical instrument necessary for the entry into force.

IN WITNESS THEREOF, the undersigned, being duly authorized by their respective Governments have signed and sealed this MOU.

Done at Abuja on this 15th day of October 2007 in two originals in English language/ both being equally authentic.

Authorized Representative

**For and On Behalf of the
Ministry of Defence of the
Government of the Republic
Of India**

Authorized Representative

**For and On Behalf of the
Ministry of Defence of the
Government of the Federal
Republic of Nigeria**

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471. Memorandum of Understanding on Mutual Cooperation between the Foreign Service Institute, Ministry of External Affairs of the Republic of India and the Foreign Service Academy, Ministry of Foreign Affairs of the Federal Republic of Nigeria.

Abuja (Nigeria), October 15, 2007.

The Foreign Service Institute of India and the Foreign Service Academy of Nigeria (hereinafter referred to as "the Parties") in the spirit of cooperation that has traditionally existed between the two countries and desiring to promote greater cooperation between the two institutions;

Have reached the following understanding:

Article 1

The Parties shall cooperate in mutually beneficial areas of activity, which inter alia may include:

1. Exchange of information of structure and content of training programmes for diplomats;
2. Identification of experts in mutually agreed areas;
3. Exchange of information on the use of IT in diplomacy;
4. Joint research in mutually agreed areas;
5. Mutual assistance in designing IT-based course content for distance learning.

Article 2

The Parties shall exchange information and publications on training programmes, curricula of studies and other activities of common interest.

Article 3

The Parties shall promote contacts and exchange of trainees, students, faculty members, experts and researchers.

Article 4

The Parties will encourage coordinated research on the subject of mutual interest.

Article 5

The Parties will decide the specifics and logistics of every project they undertake together. For this purpose, a protocol laying down the financial terms and conditions of the proposed exchanges will be concluded, if necessary.

Article 6

This Memorandum shall enter into force on the date of its signature and shall remain in force for a period of three years. Thereafter, it may automatically be renewed for similar three-year periods at a time, unless terminated by either party by giving a written notice of 90 days to the other party prior to the date of termination of the Memorandum. The termination of this Memorandum shall not affect ongoing projects.

Article 7

This Memorandum of Understanding may be amended by mutual written agreement of the Parties.

In witness whereof, the undersigned being duly authorized thereto by their respective Governments, have signed this Memorandum and affixed their seals.

Done at Abuja on this 15th day of October 2007 in two originals in the English Language, both being equally authentic.

**On behalf of Foreign Service
Institute of India**

**On behalf of the Foreign
Service Academy of Nigeria**



472. Memorandum of Understanding on Cooperation between the Indian Council of World Affairs, Republic of India and Nigerian Institute of International Affairs, Federal Republic of Nigeria.

Abuja (Nigeria), October 15, 2007.

The Indian Council of World Affairs [ICWA], New Delhi, and Nigerian Institute of International Affairs (NIIA), hereinafter referred to as 'The Parties';

Intending to enhance mutual understanding and friendship between the peoples of the Republic of India and the Federal Republic of Nigeria through the promotion of friendly institutional relations;

Have reached the following understanding:

**Article 1
General Guideline**

The Parties agree to develop exchanges and cooperation on the basis of mutual respect, equality and mutual benefit.

The Parties agree to establish a non-governmental group of eminent persons from both sides from the fields of diplomacy, culture, economy and trade, academics, sciences, social sciences, communications and the media to facilitate an Annual India-Nigeria Dialogue and cooperation between the civil societies of India and Nigeria.

With a desire to make such dialogue and exchange fruitful, the Parties shall, through mutual understanding, decide upon the number of participants from each side, and shall each nominate their respective Co-Chairpersons.

The list of eminent members from both sides shall be communicated through mutual exchange of letters.

The Annual Dialogue will be hosted alternately in India and Nigeria by the ICWA and the NIIA, respectively. The first dialogue will be hosted by ICWA in New Delhi.

**Article 2
Contents of Cooperation**

Cooperation under this Memorandum may include:

1. Promotion and support of those activities contributing to better understanding and relations between India and Nigeria;
2. Promotion and support for the exchange of visits by eminent persons in the fields of diplomacy, culture, academics, economy and trade, education, sciences, social sciences, communication and the media;
3. Cosponsoring of bilateral seminars, symposiums and panel discussions on issues of common interest;
4. Exchange of publications;
5. Other forms of cooperation as may be agreed upon by both parties through consultations.

Article 3
Sharing of Expenses

On the basis of reciprocity, the sending Party shall cover international travel expenses while the receiving Party shall cover local transportation and hospitality expenses of the participants as well as local organizational costs.

Article 4
Others

Other issues not covered in this Memorandum shall be decided through mutual consultation between the Parties.

Article 5

The Memorandum shall come into effect from the date of its signature. This Memorandum of Understanding may be amended by mutual agreement whenever necessary.

Done at Abuja on this 15th day of October 2007 in two originals in English language, both being equally authentic.

**For the Indian Council
Of World Affairs**

**For the Nigerian Institute
of International Affairs**



473. Protocol for Consultations between the Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Federal Republic of Nigeria.

Abuja (Nigeria), October 15, 2007.

The Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Federal Republic of Nigeria, hereinafter referred to as the "Parties".

IN THE SPIRIT of the friendly ties and cooperation between the two countries;

WITH THE PURPOSE OF promoting bilateral relations in various fields;

PROCEEDING FROM the common interests for strengthening international peace and security;

ACKNOWLEDGING the usefulness of exchange of opinions and consultations between the two countries at different levels;

HAVE AGREED as follows:

1. The parties shall hold regular consultations to review the implementation of agreements reached between the two States and to strengthen the process of wide ranging exchange of views on international and bilateral issues and interaction in the international arena.
2. The above mentioned consultations shall cover all important issues affecting the interests of both parties, such as
 - Issues under discussion at the United Nations and other international fora.
 - Issues connected with the prevention of conflicts and peaceful settlement of international disputes.
3. Consultations shall be carried out, in principle, annually at different levels and alternately in New Delhi and Abuja and also, if necessary, at the United Nations and other International fora.
4. The Parties shall also cooperate on matters of mutual interest at the

level of diplomatic (Consular) missions in third countries.

5. The Parties shall facilitate cooperation in research on foreign policy issues, exchange of archival documents and preparation of compendia of documents and materials pertaining to their bilateral relations.
6. The provision of this protocol shall be without prejudice to any other treaties or agreements to which any of the parties has obligations.
7. The Protocol may be modified or amended by mutual consultations.
8. This agreement shall enter into force on the date of signature and shall remain in force for a period of five (5) years. After the expiry of this period, it shall automatically be renewed for successive periods of one (1) year each unless either party notifies the other in writing of its intention to terminate this Protocol prior to the expiry of any such period.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Protocol.

Done at Abuja on this 15th day of October 2007 in three originals, two in English and one in Hindi language, all being equally authentic.

**Ministry of External Affairs
Of the Government of India**

**Ministry of Foreign Affairs
of the Federal Republic of Nigeria**

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SOUTH AFRICA

474. Press Release of the Ministry of External Affairs on the meeting between Minister of State Anand Sharma with South African President Thabo Mbeki in Pretoria.

New Delhi, May 21, 2007.

Mr. Anand Sharma, Minister of State for External Affairs, today called on H.E. Mr. Thabo Mbeki at the Presidential Residence in Pretoria.

2. They had a wide-ranging discussion on bilateral relations and also the trilateral engagement in the IBSA context.
3. President Mbeki described relations with India as 'historic' and 'strategic'. He said he was looking forward to meeting Prime Minister Manmohan Singh at the forthcoming meeting of the G-8 and outreach countries in Heiligendamm in Germany and Congress President, Mrs. Sonia Gandhi, on her forthcoming visit to South Africa.
4. President Mbeki fully endorsed the significant decisions arising out of the International Conference on "Peace, Non-violence and Empowerment : Gandhian Philosophy in the 21st Century" held in New Delhi on January 29-30, 2007.
5. President Mbeki underlined the need for India and South Africa to continue to work together in multilateral fora including the UN with a view to ensuring that the structures reflected contemporary realities and not the power balance of the past. Mr. Anand Sharma thanked the South African Government for the understanding and support for India's candidature to the UN Security Council.
6. Discussions touched upon a range of other issues of shared interest and concern, including developments in India's neighbourhood and the regional situation in Africa.
7. Earlier in the day, MOS, Mr. Anand Sharma delivered the keynote address at the CII Conclave on Project Partnerships in Johannesburg. He met Minister for Public Enterprises, Mr. Alec Erwin and ANC Secretary General, Mr. Kgalema Motlanthe. Mr. Sharma will also visit Cape Town.



UGANDA

475. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Uganda, 28-29 June 2007.

New Delhi, June 29, 2007.

Minister of State for External Affairs, Shri Anand Sharma, delivered the key note address at the Conclave on India-Africa Project Partnership 2007 which was inaugurated in Kampala by the President of Uganda, H.E. Mr. Yoweri Kaguta Museveni, earlier today. Shri Sharma who is on a two-day visit to Uganda was received on arrival on 28 June by the Deputy Prime Minister of Uganda, Mr. Kirunda Kivejinja, and by acting Minister of Foreign Affairs, Mr. Henry Oryem Okello. Shri Sharma called on President Museveni on 28 June. During that meeting, a range of issues of mutual interest were discussed.



476. Press Release of the Ministry of External Affairs on the announcement for flood relief assistance to Uganda.

New Delhi, October 8, 2007.

U Prime Minister has sent a letter to the President of Uganda, H.E. Dr. Yoweri Kugata Museveni conveying condolences on the loss of life and property due to unprecedented floods in Uganda.

U As a token of India's solidarity with the Government and people of Uganda, PM has also announced an emergency assistance of Rs. 1 crore. This amount can be used to provide relief supplies from India or for local procurement.



INDIA'S FOREIGN RELATIONS - 2007

SECTION-VI

AMERICAS

- (i) United States of America**
- (ii) Central and South America**

United States of America

477. "U.S.-Indian Relations in the Global Context" - A Conversation with Foreign Secretary Shivshankar Menon and U.S. Under Secretary for Political Affairs, Nicholas Burns at the Carnegie Endowment for International Peace.

February 22, 2007.

Jessica Mathews: Ladies and gentlemen, I'm Jessica Mathews, president of the Carnegie Endowment for International Peace. And it's a great pleasure to welcome all of you here. It's my very special pleasure and privilege to welcome our two distinguished guests: Foreign Secretary Shankar Menon, on the occasion of his first official visit to the United States, and an old friend, Undersecretary of State Nicholas Burns who has been a great friend of the endowment for a long time, and whom we've had the pleasure of welcoming here before. It's great to have you back here. Mr. Secretary, I hope your visit is proving very successful, and I hope this will not be the last time we can welcome you here at the endowment.

This afternoon's meeting is an unusual format, and one we think will be particularly interesting and revealing for all of you, and fun for the participants. As many of you know, the endowment is in the process of undertaking a fundamental redefinition of its own mission. From our beginnings as America's oldest international foreign policy think tank, we have embarked on a journey that will one day make us - we hope - the world's first truly global think tank. We've begun it by opening new offices in Beijing and Beirut, and next month in Brussels, in addition to our headquarters here in Washington and our office of long standing of 14 years in Moscow. One day, we hope to extend the Carnegie presence to New Delhi as well.

Our journey of transformation, however, is not just about opening new offices, but rather it's fundamentally about the way research is done and the way foreign policy is both analyzed and made. It is rooted in the conviction that in an increasingly globalized world, a single national outlook is necessarily too restrictive. We think that effective public policy research and effective public policy must be a genuine two-way street with analysis

and deep local knowledge and insight, which is made possible by a sustained presence on the ground as its basis. And so, today's format is very much a metaphor of what we are doing and trying to become.

So you can understand why I particularly look forward to this conversation about the United States, India, and the world. I am glad that the endowment has the honor of hosting this unique event. What we're going to do is listen to the two secretaries each speak for five to ten minutes, and then Ashley Tellis, the distinguished senior associate at the endowment will moderate a discuss among the two secretaries, and then we will throw it open to all of you. At the end, we will finish a little before our scheduled closing time to allow time for a press conference and to which any of you who wish to stay are certainly invited, although it will be speaking roles for members of the press.

So with that, let me turn the microphone over to Secretary Menon, and welcome you once again to the endowment. Thank you for being here with us.

Foreign Secretary: Thank you. Thank you very much. I am impressed to see so many of you here, some old friends. I guess this is an unusual format. First time, I've done this. But I think the ease of this probably reflects the ease of our engagement, the way we have now started to work with each other. We've learned to work with each other. I am honored to be here, to be among you.

I've just been here two days, and it's been a really hectic two days, I think, because of the transformed nature of our relationship. We've had some very good discussions, all of yesterday, and we found the time just wasn't enough. We, today, have a full spectrum engagement between India and the U.S. And this transformed relationship, I think, is evident in all the subjects that we discussed. I mean, I could go through a long list, but most of you here I think know the subjects better than we do.

I found it really quite impressive to see not only the quality of what we were doing, but how what we were doing was relevant for India, for the U.S. For India, I think because the question really should be why weren't we doing this before?

How come we have come to the full spectrum engagement today? The straightforward answer is that we have leaders with a vision of what we should be doing together, of our place in the world, what we want to be, and a vision of how important India-U.S. relations are. But it also is more. I

think it reflects the fact that India has changed, the world has changed. India has changed very rapidly in the last few years. But we, today, together, have capabilities that we didn't have before. So we have what Prime Minister Manmohan Singh likes to call partnership of principle and pragmatism. It's a coincidence of principles - I mean, you know here are two greatest democracies in the world working together; we both have open markets; we want to open ours further. There is a lot more that we need to do. We are trying to build a knowledge economy in India; you are a knowledge economy. And there is so much complementarity; there's so much that we can do that in a sense, the U.S. is today very, very important, central almost to India's own development aspirations. And that's a very important part of what we were doing. We were discussing an agricultural knowledge initiative, for instance; we have an energy dialogue; we're talking about various sectors - civil nuclear energy also - energy security. These are all issues where we're talking about things that are of direct relevance to the way we see ourselves developing in the world.

But what's also changed is the world around us. That has changed so rapidly and so quickly that wherever I look, whether it's in our immediate neighborhood, subcontinent, Asia, or on the bigger global issues, I see convergence. And I think that came out very clearly yesterday when we were talking, and in the other conversations one has had. Here again, one could go through a long list, but I think what struck me was that we came at these problems, these issues, and the broader the issue, the longer term it was, actually almost the more the convergence. So that actually gives me hope for the future. It seems to me that this is something that is going to grow and that will become stronger and stronger as we move along.

As we see the world changing, us changing, I think we have opportunities today that we've never had before, and I'm glad that we're determined to take them, that we're determined to do whatever we can. I'll turn this over to you, rather than going through my list of issues. And then maybe we could talk about them one by one.

Nicholas Burns: Shankar, thank you very much. And ladies and gentlemen, good afternoon. I first want to thank Jessica Mathews and Ashley Tellis, and I want to thank Carnegie for the invitation for Foreign Secretary Menon and I to share the stage. And just to congratulate Jessica, what you've been able to accomplish here at Carnegie, this great vision of becoming a global think tank, badly needed in an interconnected world, and we're very proud that an American institution has this capacity to reach out well beyond our shores. So we respect what you're trying to do and support you very

much.

I also want to say, as I look out in the audience, two very good friends of mine and predecessors of mine, Mark Grossman, Arnie Cantor (sp), I see. I hope Tom Pickering is not here; if he is, Ambassador Pickering, good afternoon. But good to see both of them. And I should say, on this issue of India, I think Mark Grossman was a pioneer for the United States of America, as someone who really understood very early on the strategic importance of India to the United States. And after that terrible event, the tsunami just a day after Christmas in 2004, it was Mark who led the American government effort to work with India and Japan and Australia in the immediate assistance. So I just wanted to pay that tribute to Mark, and to Arnie, very distinguished predecessors. And to say to Raminder Jassal who is the very great deputy chief of mission of the Indian mission here how glad we are to work with him.

I would just add my voice to Shankar's in saying that it's interesting to say the two of us sitting up here together. I don't think you would have seen this at Carnegie in 1997 or 1987 or 1967 or '57. We had the ultimate unfulfilled relationship, the United States and India. If you go back and trace the development of the relationship between our two countries, ever since the independence of India after partition in 1947, there was always this feeling in the United States that India should be a natural partner; and I believe that Indians felt that way about our country in the early years. And yet, we never quite managed, through successive American and Indian governments, to achieve that.

And I do think it was the vision of President Clinton in the mid-1990s to say that India should be this kind of global partner of the United States. And when President Bush came into office in 2001, just to give you an American perspective, I think he doubled the bet, and he said it will be. And it was through Bob Blackwell and David Mulford, our two outstanding ambassadors in Delhi, through Mark Grossman, Secretary Powell and Secretary Rice. I think President Bush made sure that all of us involved in the relationship were going to try our very best to try to vault it forward and develop a more strategic, comprehensive global basis for the partnership.

And Shankar and I met for several hours yesterday before lunch, and during lunch, and after, and it was really quite extraordinary the breadth of the dialogue between us. Prime Minister Singh and President Bush have essentially written for us a framework, which is truly global, not just bilateral or regional, and which is about as broad as any relationship that we have

in the world today. I think on July 18th, 2005 when the prime minister was here for that very historic visit, he and President Bush agreed on essentially joint ventures between the two governments in 16 different areas - space research to joint space cooperation and flight, to a true engagement on energy, to a new CEO forum of a different type than we'd ever done before with any other government, which has worked very well for both of our governments.

Shankar met the secretary of Agriculture today and talked about our hope that we could participate in a second green revolution in India, as the prime minister and his government attempt to modernize the agricultural sector, and as we think that our land grant universities in our Midwest can play a role in that at the request of the Indian government. Shankar met with the secretary of Commerce today, and we have a hi-tech, very much export-driven relationship, where I hope that we in government can essentially get out of the way and lower the barriers to trade and investment, and allow our companies to do what they can do so well. I was in Hyderabad in mid-December and saw this happening, saw the extraordinary number of American joint ventures in Hyderabad. The biggest Microsoft office outside of Redmond, Washington, in Hyderabad, and you can really see there, as you can see in Bangalore, and many other Indian cities, the promise of this knowledge engagement between the United States and India, and especially between our private sectors. So we are committed to this relationship.

I think right now, the United States considers India without any question one of our most important global strategic partners. I would say, just as an American citizen, thinking ahead 20 or 30 years, I would hope that Americans would be able to say 10, 20, 30 years from now, India is one of our two or three most important partners in the world bar none. And I think it will be in an increasingly complicated, complex, and multilateral driven world, where the challenges will largely be ones of connecting countries to deal with multilateral challenges. I think India and the United States are seeing not just our intersection of values as the two greatest democracies in the world, but in the intersection of interests, which are driving our two governments to see each other as natural partners.

I would just say one word about this bilateral engagement. There is no question that the symbolic centerpiece of it has been our civil nuclear accord. And it's a year and a half past the time when the prime minister and president decided that we would break free from 30 years of conventional wisdom that had separated us, that had prohibited our industries from working together, that put us at cross purposes on the great non-proliferations

debates of the last three decades. And they had the boldness and the courage politically to break away from the easy restrictions that have been imposed upon us, and that we had actually imposed upon ourselves. And I think we corrected a mistake that we had made many years ago, and we have now made it possible, through the bipartisan support of the Democratic and Republican leadership in the House and Senate of the United States, through those very dramatic and sizeable votes in the autumn.

We are making it possible now for the United States to be the sherpa of India, as India will gain universal international approval in the nuclear suppliers group for free nuclear cooperation in fuel, and in nuclear reactors for the future. This will bring enormous benefits to India. And it will bring enormous benefits to the United States of America. It's in both of our interests to do that. So we're proud of what we've accomplished.

We've got a little bit ways to go now, in completing our bilateral accord, and then in seeing India go forward with the IAEA and the nuclear suppliers groups. But we've pledged to be India's supporter in this process, and I think we've been a good friend to India.

And I would just say two more things before we get to the conversation and engagement with this audience. I think what is also remarkable about the development of this partnership over the last several years is the fact that on a regional basis in South Asia, India and the United States are now working together politically in a way we have not worked together before, going all the way back, in 60 years time. I think one of the great changes that I've seen in America's national security consciousness, and the way we view the world.

And I saw this - I was away for eight years as a diplomat in Europe, and came back to this place to take up Mark's baton in 2005 - the newfound strategic importance of South Asia. There is no question that South Asia is a place of vital strategic engagement for our country - success in Afghanistan, our truly vital partnership with Pakistan, and our strategic vital partnership with India. And that is new over the last ten years or so for both the Clinton and Bush administration, and it has changed the way we see the opportunities positive and negative in the world.

And the way that we work together with India, just in the last past two years, in Bangladesh where I know India and the United States are sending the same message - democracy, success through elections, political stability, rejection of terrorism and violence in that very large and important country. I know we're sending the same message, in fact, we're working

together in Sri Lanka, where we're trying to convince the government and the Tamil Tigers to engage in a true negotiation. Of course, we Americans don't deal with the Tamil Tigers because we think they're a terrorist group responsible for the deaths of innocent civilians. We work with the government and hope the government can see it's way forward to make that bridge to negotiations. And in Nepal, where the United States and India are both helping internationally to manage this transition from one system to another, but with democracy at its center and with non-violence at the center. And I think it's the quality of what we've been able to do as partners in those three issues that is really a step forward for our two countries.

And finally, I'd say my final comment would be that a strong bilateral partnership, a strong regional partnership, the true strategic engagement comes globally. There are few countries that can manage a global agenda in the way that India and the United States can, given the size of our countries, given our vision, and given the power of our societies - our private sectors as well as our governments. And as America looks around the world, we need democratic partners in a very dangerous world. And we see India as one of our most valued partners.

Prime Minister Singh and President Bush were the first two world leaders to champion Kofi Annan's new project for democracy, the two first contributors to support a global effort to promote democracy in countries where it does not now exist. Our two countries are in the forefront of the fight against HIV/AIDS and we're putting our money and efforts behind that. Our two countries are saying that democratic capitalism can and must exist with a fight for social justice and poverty alleviation, whether it's in our own countries and our own parts of the world, but also specifically in Africa, in South Asia, and in Latin America.

Our two countries, I think, are the two countries that can lead a revitalization of the United Nations system with a new secretary general. And we Americans certainly understand that we can't live without the United Nations, that we need to have a positive outlook towards the United Nations, that we shouldn't seek to always speak about what's wrong with the United Nations, but try to support it positively. And you've seen this Indian-American engagement in supporting Ban Ki-Moon, in supporting UN reform, and I think particularly in trying to revitalize UN peacekeeping which is so important in Africa where no other country or organization can do what the United Nations can do.

And this multilateral engagement will extend itself in the future, I'm convinced, to tackle the most important issues before us. If the future global agenda is going to focus on global climate change, on defeating trafficking of women and children, on defeating the narco-traffickers, international crime cartels, and defeating terrorist groups - India and the United States are both victims of terrorists - and keeping them away, those terrorist groups, from chemical, biological, and nuclear technology, which would be truly dangerous, if that's the coming global agenda, then we need a multilateral approach to be successful and our two countries are well positioned to be in the center of that effort. So I see an intersection of interests, as well as the foundation of an intersection of values. And we Americans, in our government, and I think beyond in the Congress, you can see it and you can feel it. You can feel that this partnership is one that is decidedly in our national interest, and we suspect that's the same for the Indian government people as well.

Ashley Tellis: Let me take the liberty of asking both of you, each of you, one question that builds on the themes that you flagged. Secretary Burns, you mentioned correctly that the civil nuclear agreement has been the pinnacle, the symbolic pinnacle of everything you've achieved so far. And yet, you also indicated that there is so much that is yet to come, because this partnership has a foundation that is often not seen from the outside and not appreciated as much from the outside. Could you speak to two areas, which are likely to become important in the next year - the prospects for counterterrorism cooperation between our two countries and the prospect of defense cooperation?

Mr. Burns: I'd be happy to do it very briefly, and I suspect we'll get some conversation from the audience on this. When Shankar and I sat down yesterday to take account of where we are and where we're going, I said it was the opinion of my government that having successfully fought the good fight in the United States to convince the Congress and the American people that we ought to break free from our conventions on civil nuclear cooperation and go forward. We thought that the next horizon would be dominated by two issues.

First, can the United States and India join together, both in South Asia and beyond to be partners in the fight against terrorist groups wherever they are, whether they're global terrorist organizations or regionally based? Because both of us are victims and, unfortunately, potential victims of terrorism. And we certainly feel in Washington there is a lot more that our

two countries can do to cooperate together on an intelligence and national basis to be successful together.

Secondly, it seemed to us that the next frontier would also be in military relations. I know that former Defense Secretary Bill Cohen and former Undersecretary of State Tom Pickering were both in India at the Bangalore Air Show recently. We had the largest ever American industry presence at Bangalore. We have put our best foot forward to show that whether it's on the technology basis, whether it's on a doctrinal basis in terms of the strategic dialogue, increased exercises and training experiences for our navies, our air forces, and our armies, there is a lot that our armed forces can and should be doing together in disaster relief, in international peacekeeping, because we have democratic armed forces under civilian control. We are peaceful nations and we seek to preserve peace and stability, both where we live in our own regions, but globally.

And so we felt that those two areas, counterterrorism cooperation and military and defense cooperation were the next horizons for this relationship, where there was room for growth. And we put that thought forward yesterday, and we sure would like to work with the Indian government on that basis.

Mr. Tellis: Secretary Menon, let me ask you one question, again based on the theme that you touched on, which is the growing partnership in areas that go beyond the bilateral - international institutions and international regimes. Can you say something to how India now looks at the prospects of working with the United States to strengthen the global non-proliferation regime, an issue that became very much in public attention as the result of the civil nuclear agreement?

Foreign Secretary: Well, I think that's an area that we discussed yesterday. It is related to our bilateral civil nuclear understanding as well to the implementation of that. Over the last few years, you have seen that we have harmonized essentially our export controls on the non-proliferation side, whether it's for weapons of mass destruction or whether it's for the delivery vehicle, with the best international standards. In some cases, we think we're even better. Our record, we think, speaks for itself. And we have an interest, as India, we have an interest actually in non-proliferation which is deep and abiding. And this is something where we intend to work together to see how we can realize this, because this is going to be, and already is, one of the biggest dangers in the future.

As Nick said, the issues of the future are the ones that we really see eye to eye on, and we have to work together. India is ready to be a partner in the development of a new non-proliferation consensus. And I think we do need one. I don't think it's enough to go back to the old ways, to the tried ways, because they haven't succeeded. I think that's apparent to most of us that we need to work together to develop a new international consensus. And that's something that we look forward to doing with our partners, and that's something that I think we'll do.

Just to add to what Nick said, we looked at where we can go over the next year, over 2007, and how we already have a transformed relationship. But we thought we could take it to a newer level and a higher level if we were to work on defense, on counterterrorism. A lot of the global issues we're already working on, but we're going to see how we can add new impetus to that. Democracy, for instance, is a big issue; pandemics is an issue that cuts across; energy security. We're approaching it in various ways, bilaterally but also internationally. Yesterday, when I started the day actually discussing issues like this with Undersecretary Dobriansky, human rights - these are issues where we have natural affinities; we have very similar approaches to them.

And for me, the amazing thing is the synergy across these issues where this is very unusual in a partnership. In a partnership, normally, you just pick one or two where you think you have common strengths and common interests. But all of yesterday and today has convinced me that this runs across the board. So it's really a question of how much effort and skill and time can we devote to each of these issues? The potential is tremendous. But I think right now, our priority is to get the civil nuclear understanding done quickly and all that goes with it, and to make sure that as the Indian market opens, American companies have an equal chance and an open chance there in the process of competition. And I think that's what we will do right away; that's our immediate priority. But there are all these other fields available to us to work together, and we look forward to doing that.

Mr. Tellis: Thank you very much. What I intend to do is to open it now to the floor so that these 118 odd individuals who are here today get a chance to interact with you. I will simply recognize you as you raise your hands. Do us the favor though of identifying yourself so that the secretaries can recognize who you are. And then, I will just leave it to the two of you to jump in as required on the question. So I want to assure you that everything that has happened so far has not been scripted. This is not a quartet, and

they haven't practiced their parts. This is a jazz riff, so we basically just play it as we go along. So let me - yes, ma'am.

Q: Nina Donaghy (sp), Fox News: Secretary Burns, if I could just take the liberty of asking not about India, but about Iran, as it's in the news today. Obviously, the IAEA report is out; it's concluded that Iran did not comply with the December resolution. Secretary Rice has said therefore that prospects of another resolution is very, very real. Can you respond to that?

Mr. Burns: I'd be happy to. This is an issue, of course, where we've had a longstanding discussion with the Indian government. Of course, we have different perspectives because we live in different parts of the world and have a different history to our relations with Iran. But I think there has been a tremendous international effort over the last two years to send one message to the Iranians. And that is that all of us I think are comfortable and would want to help promote the development of the civil nuclear industry in Iran. The Iranian people deserve that and have a right to it. But none of us around the world, with the possible exception of Syria and Cuba and Belarus would like to see Iran become a nuclear weapon state. And so, Mohamed ElBaradei's report today - the IAEA report - was decidedly conclusive about Iran. It is not meeting its commitments to the IAEA; it is not allowing the requisite number of inspectors to visit the enrichment processing plant at Natanz. Iran has not met the conditions of the UN Security Council Resolution 1737. It has not suspended its enrichment program.

I know what you'll see next. You'll see an effort by Russia and China, United States, Britain, France and Germany, to now develop a second Security Council resolution. Secretary Rice had good discussions in Berlin this morning with the Russian and German foreign ministers and Javier Solana. They have agreed to now meet. In fact, I'll be going off to London on Monday to meet with the other countries to help write that resolution. I expect work in the Security Council will start following that. And we would expect to see Iran repudiated again by the United Nations Security Council for the fact that it won't come to the negotiating table. It is effectively thumbing its nose at the international community by proceeding with its experiment to string together a cascade -(audio break, tape change) -- all of us in a multilateral format. We want that day to come, and if the Iranians would just meet the conditions that the Security Council has established, all the members of the Security Council, they'll have that negotiation, and Secretary Rice has said that she will lead the American delegation to that negotiation.

So it's Iran's refusal to talk which right now has gotten Iran in a lot of hot water, and I think what you're finding is Iran is increasingly isolated, and we hope Iran is going to choose negotiations because if it doesn't, it's just going to see an escalation of the financial sanctions, the Chapter 7 sanctions, and all the efforts that are being made now by international banking institutions, by the EU, by the Japanese government, to start to restrict the ability of those countries - of the inclination of those countries to deal on a business-as-usual basis with the Iranians.

So we hope the Iranians will choose negotiations. And beyond the Perm-5, remember that Brazil and Egypt and Argentina and Japan and India voted with the Perm-5 countries a year ago, two weeks ago, at the IAEA, to urge Iran to choose diplomacy and choose negotiations.

Mr. Tellis: Yes?

Q: I'm Raghobir Goyle for India Globe and Asia Today: A question for both of you. It was, first of all, a great session, and my question is that, Mr. Secretary, now India and U.S. are the best allies or the best relations they have in, I think, 50-plus years, don't you think that United States needs a good friend at the U.N., and don't you think, Mr. Secretary, that India deserves the United Nations Security Council's seat today than ever? And for both of you, sir.

Mr. Burns: I think I'll let Shankar lead on that, and I'll follow.

Foreign Secretary: My answer is simple: Yes. (Laughter.)

Q: (Off mike.)

FOREIGN SECRETARY: That's a different question.

Mr. Burns: Let me say it this way - let me - it's a very good question. I think we're seeing a much greater effort by India and the United States to engage each other at the U.N. and to be partners with the U.N. And we Americans understand that the U.N. institutions can't forever reflect the world as it was in September and October of 1945 - that there has to be a modernization, not only of the effectiveness of the General Assembly but of the Security Council. And we have been open to ideas that would lead to a modernization of the Security Council, of its membership. We haven't yet, of course, spoken fully to that issue, and we haven't yet seen a realistic proposal to modernize because I think our view is that among the various institutions of the U.N., the one that's working exceptionally well is the Security Council.

And so we wouldn't want to see some dramatic expansion in the numbers of countries becoming permanent members. We would favor, as Secretary Rice said I think as early as her second month as secretary of State, a gradual but also modest expansion in the membership. We've been open to that. We have of course looked at all the various proposals and there hasn't been one that's been successful. So I think we'll have to wait and see before the United States pronounces itself, on that issue specifically, a successful - or a solution that's proposed that has the ability to garner 128 votes in the General Assembly, which is what you need to get to change the rules and procedures of the Security Council.

Now, having said that, there is no question that India is playing, and shall continue to play, a bigger role globally. And you've seen India now be invited - having been invited to the last several meetings of the G-8 countries in St. Petersburg, in Scotland before that, and the United States wishes very much to see India play that role in the future - play a much larger role in all these great international institutions that are at the heart of the international system.

Q: Thank you very much. I'm Daryl Kimball with the Arms Control Association. For what it matters, I think India should have a seat at the Security Council too, but that's not what my question is about. My question is about the ongoing -

Foreign Secretary: I didn't either. (Chuckles.)

Mr. Burns: You didn't -

Q: You didn't find that either, no.

But my question is about the ongoing talks about the civil nuclear energy deal, which of course is yet to be seen whether this is the right course to go. And I understand that there continue to be some differences between the two sides about the details of the so-called 123 Agreement, and I understand that the Indian side delivered recently a response to an earlier U.S. draft, and the Indian officials have publicly been saying that they would like to have programmatic consent rights on U.S.-origin material for reprocessing or enrichment. Indian officials have said they're not happy with the provisions in the Henry Hyde Act that essentially set up a termination clause if India resumes nuclear testing, and India is insisting on India-specific safeguards, which I would like Secretary Menon to maybe elaborate on because it seems - it's difficult for me and many others to understand how India-specific safeguards can be made consistent with U.S. law, which

requires permanent, facility-specific safeguards on the civil facilities and on the materials that the IAEA Board of Governors has to approve. So my question is what are those India-specific safeguards you're talking about?

And for Secretary Burns, it seems to me the U.S. law doesn't give your side very much room to compromise on these issues. How do you see the two sides squaring the circle on these still-important issues?

Foreign Secretary: Just to be clear about where we are on the civil nuclear understanding, it seems to me we have the understanding already. That was done between the two leaders. It was done in July 2005; it was done in March 2006. So our job now is to put it on paper; of actually expressing it in legal terms. That's never easy, even if you have a basic understanding of what you're doing. But it's not our job now to try and renegotiate that in the terms, in the words that we put into the 123.

The India-specific safeguards agreement is something we will discuss separately with the IAEA, and we're going through that process. We've started those discussions. We hope to work it through. Whether that is compatible with U.S. law, what relationship it has to U.S. law, is something I can't answer, quite frankly. That's something - we will work that out, and the U.S., as a member of the board, as a member of the IAEA, will be as much a part of that whole process as the others on the board and in the IAEA. And that's something that I think Nick will have to speak to.

But as far as I can see, there is nothing in the basic understanding between us in - of July 18th, March 2nd that contravenes either Indian law or U.S. law. I think that's clear. And if what we are doing is legal in both our systems, I don't see a problem. I think it's really just a test of the ingenuity of how we actually express this. I know how efficient we are and how quickly we can do it, and the quicker the better, as far as I'm concerned, because it is an important sign, I think, of our willingness to think outside the box to transform this relationship, and to start dealing with each other and talking in new ways, which reflect the new reality.

Mr. Burns: I agree very much, Daryl, with Shankar. The big issues have been decided. You know, we've crossed the highest mountains in these negotiations. And it's important to remember what happened in July '05 and March '06. In both instances, we literally negotiated to the very final minute in the anteroom before we walked in - the two foreign ministers and their aids - to see the two leaders. And in both instances, it was the prime minister of India and the president of the United States who made the agreements themselves.

So we have crossed over the biggest issues, and they've been decided, not always seeing the subsequent steps in which we are now immersed as diplomats, to be a mere codification of what has already been decided.

And so you mentioned the 123 talks - I'm optimistic. Shankar and I had a good discussion yesterday about the 123 talks. I'll likely go to India in a couple weeks' time to continue that. And I think we will get those done because the big issues have been decided and we're going to be creative diplomats to find a way to square circles, which is what we're paid to do. I don't worry about that.

We also, the United States government, we support the Hyde bill. This was a very good process. We started out in March and April of last year with a healthy degree of skepticism from both houses and both political parties. I think we were able to overcome that skepticism. We were certainly. We were able to accommodate a lot of good ideas from the House and Senate, frankly some that we hadn't thought of that I think strengthened the bill, and we fully support what the Democratic and Republican leadership did in the autumn, and we're very proud of it.

So now the process is we'll complete our 123 Agreement. India will go on, I'm sure, to complete its IAEA safeguards agreement. We'll take that to the NSG. We will be successful in the NSG, I'm certain of it, after having consulted with all the countries in the NSG the way we have. And then the Congress of the United States, in our system, will have one more chance to vote on a majority basis, and if we are true to the Hyde agreement - and we will be - then that vote, I would hope, would be positive. And if we can do all that by the end of 2007, Shankar and I can retire - (laughter) - and ride off into the sunset. I think we can. I don't think we're going to have to have a major problem in doing that, but it does take time, as Shankar mentioned, to get through the legal technicalities and the technical technicalities, and we'll do that.

Mr. Tellis: Okay. Please write your memoirs when you get to that point. (Laughter.)

Tesi (sp), please.

Q: Tesi Schaffer from CSIS: It's lovely to see you both and to see you together. I wanted to ask about an issue that both of you cited as the next horizon, and that is terrorism. What kind of cooperation do you envisage as being kind of the heart and soul of how India and the United States work together on this issue? Are you thinking primarily of operational things,

training, capacity building, financial controls? Are you looking more in bilateral terms or more on the U.S. and India as part of the mobilization process for a larger effort? Is there a particular regional focus to this? Are you looking mainly globally? Help us understand a little bit where you think this effort is going.

Mr. Burns: Tesi, I'd say just very briefly that from an American perspective, we see India and the United States as having a common interest in trying to thwart terrorism in our own regions and globally, and we're both victims but we're also powerful countries with strong societies who should be able to surmount this challenge.

So I would - what have we done effectively with Japan, with the European Union? There are two agreements that we have that have worked rather well that might provide some kind of intellectual template for what India and the United States could do together.

Most of the attention of the world is focused on the hard side of the fight against terrorism: military action. But that's actually just a small part of the international effort. What we've done well with Japan and some of the other Asian countries and with the EU is we've had intelligence cooperation, we've had law enforcement cooperation, we've been able to use our economic systems to dry up the ability of terrorist groups to launder their money through our financial systems, and we've had diplomatic cooperation to keep terrorism as a leading issue, whether it's bilaterally, regionally or globally.

And I think if India and the United States can do that, and if we can do it in a way that meets the interests of both of our countries, we will have succeeded because those are the four areas outside of military action that are going to be the heart of the effort against terrorism. Military action will be sporadic. It's not usually the way to fight terrorism. It's these four areas. And we see India as a victim of terrorism in its own region, and if we're going to be a friend of India, we have to respond to that and assist India. And I know we expect the same in return. As American faces this threat, we want friends like India to be supportive of us in these very practical ways.

Foreign Secretary: My simple answer to what you said is all of the above because I think we have to deal with both sides of the issue - both the supply side and the demand side, unfortunately, which means we have to, I think, deal with the causes of terrorism, do it through intelligence cooperation, do it through knowing the enemy, and then seeing how we

can actually make it hard for the terrorists to survive to do what they're doing to us.

As he said, we're both victims, but we're also capable of dealing with this, and we are going to have to deal with this issue. There is no way that we can avoid this. We've had a terrible incidence of it just last week in India, of terrorism. And that kind of thing I think only renews our determination to fight it and not to succumb to it. But that's an area where I think we think that there is potential for us to actually increase our cooperation and do a lot more together.

Mr. Tellis: Deepti?

Q: Hi. **Deepti Choubey; I'm with the Nonproliferation Program here at the Carnegie Endowment:** And, Secretary Menon, considering the huge responsibility that comes with being a nuclear power, what is India's plan to join with and help the international community in confronting the most serious challenges to the nonproliferation regime? You've talked about this. New consensus on nonproliferation? Could you further elaborate what that effort looks like and what role you see for India on that in issues like disarmament?

And Secretary Burns, you've talked about a coming global agenda that includes the intersection of WMDs and terrorism. What are your hopes for what the Indian relationship will yield on nonproliferation challenges that have to do with state actors?

Foreign Secretary: Well, on disarmament, I think the goal is clear: universal, complete disarmament of nuclear weapons. That's what we would like, but obviously that's not happening tomorrow. And there are things we can do before that which we think are worth talking about, agreeing among the states that have nuclear weapons, and among the rest of the international community because we think everybody should have a say. This is everybody's survival that's at stake here.

Last year in the United Nations General Assembly we introduced a paper on how we see this process going forward, starting with simple things like de-alerting, things like that. But more than that, moving on to a commitment, to no first use, for instance; that would be very useful; that would help. And there's a whole series of other steps that could be taken. But this is a conversation, which I think has been going on for a long time. I think our minds have been focused much more clearly on the issues concerned in the last few years as the threat of the spread of these weapons increases

and becomes - as it becomes more and more likely. And that's something we look forward to talking about with the United States as we go forward.

We don't think anybody has a single answer. We can tell you our views, but these are just our views. What's going to work? I don't know. It's something we have to work out together. And this, unfortunately, is not something that just one of us or just the two of us can do together. It's something that's going to need much more. That's why we speak of a new international consensus on nonproliferation.

Mr. Burns: One of the arguments that we made to the Senate and House last spring and summer was that by breaking with the taboo and by bringing India into the mainstream of the nonproliferation system in the way that we've suggested we should do it, that actually strengthens the International Nonproliferation effort, and we believe that we've taken an important step.

And if you look at some of the problem states in the world now - North Korea and Iran are two good examples - it's ironic that at various times - you know, for instance, Iran has been in the system but been cheating inside; India has been outside of the system but playing by the rules. And so, the message to the Iranians and North Koreans is, if you actually play by the rules, if you are a responsible steward of nuclear technology, if you actually abide by what the IAEA wants you to do, which neither North Korea or Iran have done, then there is way forward in the international system.

And so it was ironic because a lot of people asked us at the beginning of this process, isn't this a bad message, the India-U.S. nuke deal, to the North Koreans and Iranians? We saw it in exactly the opposite way. And I think that recent events have proven that. The North Koreans now have taken a step forward in the six-party process, and we want to see them continue to meet their commitments to us.

The Iranians are well on the outside and are largely being repudiated by the international system, and I think we're very grateful for the support that India has given us, the six parties and North Korea, and frankly very grateful for what India done on the Iran question. Now, I think it's also important that we hold India to the same standard we hold any other country that has relations with Iran that trades with Iran. All of our European allies have diplomatic relations with Iran and trade with it. Japan has diplomatic relations and trades with it, and there has been a quality in our debate of asking India to meet bars that no one else is meeting. And so if you establish a level playing field and ask all of our friends to send the right message to Iran and not to have a business as usual relationship, I think India has met

that, and we've been very satisfied with the cooperation that we've had.

Q: Kumar from Amnesty International: Mr. Burns, you mentioned that you have common message, same message to Bangladesh, Sri Lanka and Nepal, but you missed Pakistan. I wonder if the both of you have the same message to Pakistan on - (inaudible) - human rights nuclear issues.

Second part of the question, in case if there is a change of comment, which is definitely going to take place here in about a year and a half too, and the same way on India, how will this relationship be affected if there is a change of comment on both sides?

Mr. Burns: I missed that. Same way in India?

Q: No, I mean, once it may, I mean, down the road, two years, three years - (laughter) - we don't know, you never know, people lose power - (laughter)(Off mike.)

Mr. Burns: I would say that, I wouldn't link these issues, and I didn't link them and purposely didn't link them. On Sri Lanka, Bangladesh and Nepal, there's a human rights imperative, there's a counter-terrorism imperative, and there's an imperative for stability that runs through each of them, and in which India and the United States have found some common ground and have tried to use our respective positions to preach stability, peaceful resolution of disputes, attention to human rights, in each of the countries. I didn't list Pakistan there because I don't think it's accurate to say that India and the United States have some kind of a joint approach towards Pakistan. India has a unique relationship, and Sean (ph) Carr can talk about that.

We have a unique relationship. Pakistan is one of our most important partners worldwide in this fight against al Qaeda, against the Taliban. We have a strategic relationship with President Musharraf, and so one of the successes that we think we've arrived at in this administration is that we've effectively dehyphenated America's policy towards South Asia. We used to have a relationship towards India-Pakistan. We now have a strategic partnership with Pakistan - with India - and we have a very close working relationship and partnership with Pakistan. But they're very, very different. And you saw when President Bush went to South Asia last year, to Afghanistan and then India and then Pakistan, the agenda was very different in each place, the words were different, the rhetoric was different, but the commitment of our country to a good relationship with all three was there. And so I purposely didn't group Pakistan with the other three because I think it's an entirely different set of affairs.

Foreign Secretary: Just to try and answer your question, our relationship with Pakistan, you know, it's gone up and down. Right now, it's changing. It's evolving rapidly. So far in the last three years, it's been in a positive direction. But our goal in this is really to have good neighborly relations with Pakistan, but to achieve that today, we see several issues that we need to deal with. We need to deal with terrorism, we need to deal with pending issues; we've listed them all. We have a way of dealing with them today which we didn't have in the past. We have a composite dialogue with Pakistan. In the middle of March, I hope to go and meet the Pakistani foreign secretary and talk to him about these issues.

We would like to have a Pakistan that's peaceful, prosperous, at peace with itself on our border. It's in our interest as India. We need a peaceful - (inaudible) - if we are to grow, at the eight to ten percent that we want to grow our economy at. So it's in our own interests to seek a better relationship with Pakistan, to seek a resolution of our issue, of all issues that there are between us, and we will certainly do that.

Now, to the extent that the international community, the international environment helps this process, and it has been helping this process over the last few years, we welcome it. But we are going to make this effort anyway in our own interest with Pakistan. And so, to your question, I hope that answers your question because I am still a bit confused about the question.

Q: Howard Wiarda from CSIS: Let's assume that I'm a Henry Kissinger-ish geopolitical thinker, and I'm sitting in Beijing as a Henry Kissinger grand strategic thinker, and I'm a balance of power thinker. And I look around at my map and I see a new, invigorated United States-Japan relationship, and now suddenly a new United States-India relationship, and I start to think this has major implications, not just in terms of bilateral relations but globally. And maybe I think that calls for a new alliance with Russia or a new alliance with Pakistan or - (inaudible). Could you comment both on how you see this relationship beyond the bilateral matters affecting global politics and also how you think it might affect alliance relations in the Asian part of the world?

Mr. Burns: You know, from the moment you stood up and said the word Kissinger, we both looked at each other and knew exactly where you were going with that question - (laughter) - because, you know, it's probably the most frequently asked question of certainly me when people ask about India, why are you doing this? Are you doing this to contain China? And the answer is no.

The U.S.-India partnership is going to be global based on the intersection of our interests of two democratic countries. It's going to be very different, I would imagine, than our respective relations with China. Sean (ph) Carr is an expert on China. Our view is that China, it's not possible to contain China in the conventional sense, nor is it desirable. We've established a very different construct. Bob Zoellick, our former deputy secretary, said about two years ago we ought to work with China on a global basis but also encourage China to be a stakeholder in the international system. So we're beginning to see that happen.

I would say that United States relations with China are as good in the political realm right now than in any time since modern China, communist China was created in 1949. Difference of opinion about human rights and religious rights within China, problems and challenges on the economic side with our trade imbalance, with international property rights, but a beginning convergence of a way to work together on a political side.

Examples: North Korea. I was in Beijing in November to try to put forward the notion that there ought to be a way to stimulate the six party talks, and my good friend Chris Hill has carried all the water and done such a brilliant job for us. Why did we succeed last week? In large part, because China took the lead, because China used its influence with North Korea, because China worked a common purpose with the United States. And the way we worked together, Chris Hill and his Chinese counterpart, was truly new in our relationship.

Second example, Iran. China and the United States, for a year and two months, have been partners in trying to convince the Iranians to negotiate with us, both of us, together, and the Russians and others, and we sponsor a Security Council resolution to sanction Iran, together. We'll be together in London on Monday, when I meet with my Chinese counterpart to talk about a second resolution.

Third example, Sudan. President Hu Jintao was in Khartoum just two weeks ago, and he put forward a point of view which was remarkably similar to the American point of view: please, President Bashir, allow the African Union and the United Nations to come in with a hybrid joint peacekeeping force, to protect the people of Darfur against the Janjaweed militia and the Sudanese military.

And so we don't have a perfect relationship, the U.S. and China, but we have a growing global relationship, and our view is that our relationship

with India stands on its own. We have this relationship because of the mutual interests between us, but it's not meant to contain China.

Foreign Secretary: I'd only add that I don't think these relationships are mutually exclusive or that this is in any way meant to change our engagement with China, which has been going on for several years and has shown very positive results in the nature of our relationship. I think it's a different world from the time when this kind of Kissingerian analysis worked, maybe in a bipolar world, maybe that it was a zero sum game. I don't think it is anymore.

Prime Minister Manmohan Singh likes to say that there's enough space for the rise of China and India simultaneously, and I think that's true. I think this is a different kind of world we're working in, where what we do with each other, what we do in our own interests together does not necessarily have to be negative or seen negatively from Beijing. I don't see why it should be.

Q: Selig Harrison, Woodrow Wilson Center: Mr. Secretary, I was somewhat surprised that you stopped with no first use and de-alerting -

Foreign Secretary: I can go on - (chuckles) --

Q: I wish you would, because Article VI envisages a bargain in which non-proliferation depends upon the existing nuclear powers, making a good-faith attempt to reduce gradually their own nuclear weapons. We did that up to 1991. It has stopped. And I wonder how India would feel about - whether India is going to tell the United States and Russia, with both of whom it has very strong relationships, that it would like to see the beginnings of a reduction of nuclear weapons and a return to nuclear arms control, and would India be prepared to take part in that process of nuclear arms reductions at some point?

Foreign Secretary: That's precisely what we have said. I think our views are no secret to anybody else. We have been saying it for some time -- since Rajiv Gandhi's plan for the nuclear-free world in 1988, and ever since then, I think - and that's exactly what I said just now. I said the goal is a world free of nuclear weapons, and the only way you can there is by reducing the weapons.

We would be quite ready - as part of a verifiable, clear agreed time frame, which leads the world to that goal, we would be quite ready to put our weapons on the table, too, but I think it's - unfortunately, as I said, it's not

up to us. I think it's something that we need to agree among ourselves, and not just the states that have nuclear weapons -- also the international community as a whole.

Our views on this are clear, and you know, as long as we approach this problem as a normative problem - what do you want -- I think you will get very strong, clear statements from all of us, but they would all be different, and that's precisely the problem: how do you try and reconcile that and still arrive at this goal, which we are all committed to, whether in terms of Article VI in the NPT or in -- as we would say, in the special session - the first special session on disarmament, where we thought there was the clearest statement of what we should be doing.

Do you want to add to that?

Mr. Burns: I think you have done it. (Laughter.) You have answered Selig's question.

Mr. Tellis: I had promised Secretary Burns and Secretary Menon that I would get them out of here by 5:30 because, as you can imagine, they have utterly packed schedules. What we had planned to do was to give them 15 minutes to take questions from the press, and what we might be willing to do is - do you have a preference? Should we just continue this - giving the press priority?

Mr. Burns: Happy to do it. That's - whichever way you.

Mr. Tellis: Okay. I would be happy to recognize questions from members of the press, and if we don't get those, then we will just continue this, but

Mr: (Off mike, laughter.)

Mr. Tellis: Excellent, excellent. But please, let's - we will just continue in the way imagined. Yes, Dan.

Q: Dan Horner, from McGraw Hill nuclear publications, and I would also like to ask about the nuclear deal -- a general question for both ambassadors, and then a clarification from Ambassador Burns, if I could.

On the general question, the statement made that the big issues have been resolved, and these are essentially technical codification, but similar statements were made almost a year ago, and predictions that the agreement would be wrapped up within a couple months, so it would seem then that the fact that it hasn't indicates that the differences over things like

the language on fuel assurances and nuclear testing are actually significant differences between the two sides, and isn't that the case? If you could just address that. And then, the clarification that - Ambassador Burns said the nuclear deal corrects a mistake - if you could just clarify what exactly the mistake was. Was it the cutoff of the fuel supplies? The tariff for after the Indian test, or the requirement for the full scope of safe guards, or the NPA, or what exactly was the mistake that was being corrected? Thanks.

Foreign Secretary: Well, on the first question, I think one of the necessary conditions was to have the Hyde Act. So if you start measuring time, I think you should really start the clock from December. Otherwise, I accept the accusation that maybe we are not efficient enough. Maybe we should have been quicker, we should have been better at our jobs, but what we are doing is something unprecedented. It's something we have never done before, and so you must give us a chance to be careful, to think it through, to work this through together. The important thing to remember is that we are doing this together and that the basic understanding is clear. I don't think there is any renegotiation or worry about that, but we will do our best to produce the best agreement possible, technically, and that's with both of us.

Sec. Burns: I agree with Shankar's point that I think what has been unique about this is the charged atmospheres in both of our capitols, and in our politics. When we came - when President Bush came back from his summit with Prime Minister Singh last March, there was widespread opposition in the op-ed pages by a number of people in the room to what we were doing, and it did take us and the United States a full six months to work through the congressional process of hearings. And we were very pleased to get to the end of it and see such a sizeable vote in the house and in the Senate in response, but it took us six months in the United States to do that, and we had to answer a lot of questions, and had to go through a process to try and improve the understanding.

But I want to say there is no problem with fuel assurances. The president - President Bush provided assurances personally to the prime minister of India on the provision of fuel, and we have actually codified them and written them down. There's four of them. And there is no disagreement between India and the United States on those assurances that I'm aware of, and in my talks with Foreign Secretary Menon and Ambassador Shyam Saran just recently, I think we have - that's resolved. I'm not aware of any problem concerning nuclear testing. The positions of both sides are clear. We have a right to our

respective position. I don't think that it's going to conflict with our ability to complete the 123 agreement.

Your second question, what was the mistake? I think that India was in isolation for too long. India is part of the effort, in our view, to strengthen the nonproliferation system and campaign, and we let India languish for too long outside that system. That's just what I meant by that. Thank you.

Q: Hi, my name is **Judy Matthewson**, I'm a report with **Bloomberg News**: and I'm still going to try and drill down a little further on the 123 agreement. You have made it very clear that it is highly detailed work, but can you give any kind of timeframe for when you expect to reach an agreement or what any of the remaining sticking points might be?

Foreign Secretary: The quicker the better.

Sec. Burns: I agree.

Q: And can you elaborate all?

(Cross talk.)

Mr. Burns: -- to that extent.

Q: But can you talk - are we talking weeks or months?

Foreign Secretary: We have to do the work. Let us do it, and we will tell you.

Q: Undersecretary Burns **Carol Giacomo from Reuters:** You have already taken a question on Iran, so I am going to follow up. On the second resolution, what specifically does the United States want to see in a second resolution? How do you react to the fact that the Russian U.N. ambassador said in New York today something to the effect that Russians really don't want a second resolution? Is this just Russian negotiating style? And what do you consider to be the impact of Russia's decision to delay the delivery of fuel to Bashir for contractual reasons?

Sec. Burns: Thank you Carol, for your very good questions. On the third question, obviously it's a Russian decision as what they do on Bashir, but we have noted the announcement from Moscow a couple of days ago that there would be a delay, and that is not incompatible, obviously, with the effort that we would like to make to convince the Iranians that the Iranians need to do more to merit this type of cooperation, but we respect what Russia is doing.

You know, President Putin put forward the idea a year and a half ago of an international fuel consortium that might help the Iranian people achieve the growth of a civil nuclear industry and yet not have the sensitive aspects of a fuel cycle -- (unintelligible) -- in Iran, but have them conducted offshore. We thought that made a lot of sense. It's still an idea; that is, if the kernel of our concept of negotiations with Iran, it's still an idea that could come forward, and that might be a way to bridge the differences between Iran and the P-5, so I would say that, but I don't want to speak for the Russian government. They can speak for themselves on Bashir.

I know that Secretary Rice said publicly this morning -- and I have since confirmed this in a private conversation with Secretary Rice -- that she had a good meeting this morning with Minister Lavrov, Foreign Minister Steinmeier, and Javier Solana, and they have agreed that the next logical step is to write a second security council resolution - Chapter VII resolution, and they have asked the political directors, including yours truly, to go to London to do that on Monday, and I think you will see that process play out over next week and probably the week following. But it would be the hope of the United States that we would pass a resolution rather quickly, and based on the conversations we have had with Russia, China, and the three European governments -- and I have had many of them over the last week - I think we will be able to arrive at that. I think it's too soon. I understand why you asked. It's too soon to predict what the specific ingredients of such a resolution would be, but we would hope would build on the first resolution.

We were quite startled, frankly, by the impact of that first resolution. It was a modest resolution - 1737 -- and it seems to have produced a very strong debate inside the Iranian government, which has divided that government between those who know that Iran has to come forward and negotiate, and those, probably led by President Ahmadinejad, who are resisting any type of international conversation, and who want to defy the IAEA and the U.N. Security Council. So, it has been interesting to watch that debate. It has been interesting to see official newspapers criticize the president of Iran, and may that debate continue, and may the Iranians come forward at some point and accept the offer, which we are leaving on the table, to negotiate.

So, in addition to any kind of resolution, we will very certainly say, and this also came out of the agreement that we - in the meeting this morning, that this offer stands, that we haven't taken it off the table. We do want Iran to come forward. We are ready to talk to Iran -- the Russians, the Chinese, the Europeans, and Americans together in a multilateral format, and we hope the Iranians will pick up that offer.

Q: Colonel Datar, Foreign Policy Association. Question for Nick Burn. With your positive use on India's cooperation and its age-old excellent relations with Iran, how about inviting India to become member of the multilateral dialogue team?

Sec. Burns: I don't know if India wants to be part of the team - (laughter) - especially the Indian government. I can tell you, it's labor intensive. (Laughter.)

Look, I think that what we have managed to do internationally is create concentric circles around Iran. You have the P-5 effort, and this is a Security Council effort of the Permanent Five -- with Germany, because Germany had been a charter member of the E.U. effort of 2003-04. And then you have the IAEA board of governors, of which India, of course, is a member, where all of us on February 4, 2006 spoke in a very forthright way to urge Iran to comply with the IAEA. So, that's another circle, and you've got a wider circle than that in the international public opinion. Nobody wants to see Iran become a nuclear weapons power. Name the country. I think I named three, maybe four. Let's see: Syria, Belarus, Cuba, and Venezuela. The gang of four. Outside of those four countries, is there another country in the world that has - you know, just anxious to see Iran develop nuclear weapons? So, Iran's very isolated. It's got concentric circles around it, and each country, I think, is comfortable in which circle it's in. I know we're very comfortable to be in that P-5, Perm-5 circle.

Q: Thank you.

Sec. Burns: You're welcome.

Mr. Tellis: Well, thank you Secretary Burns. Thank you, Secretary Menon. It has been extremely generous of the both of you to give us an hour and a half of your time from your schedule, and for gracing the occasion to have this conversation. Thank you very much for doing this, and thank you, all of you, for coming here. Thank you. (Applause.)



478. Press Conference by Foreign Secretary Shivshankar Menon at the Embassy of India.

Washington (D. C), February 23, 2007.

Mr. Gautam Bambawale: Welcome to all of you. I don't think Foreign Secretary Mr. Shivshankar Menon needs any introduction. Just a few rules before we start off with an opening statement by the Foreign Secretary and then open it up immediately to questions and answers. Just like to remind you to silence your cell phones, please. If you could please silence your cell phones, and also could I request that when you stand up and ask questions if you could identify yourselves and the organization that you represent. With that, I think I'll turn it over directly to Foreign Secretary Mr. Menon for an opening statement after which we'll open it up to Q and A. Thank you.

Foreign Secretary: Thank you, Gautam. I thought I'd just tell you briefly about what I've been doing for the last three days in Washington. As you know, this is my first visit here as Foreign Secretary. The reason I was here at this time was because we had decided to hold the High Technology Cooperation Group at this time which is - many of you were, I think, present yesterday. You know the group. It's a very important industry-government combined meeting because in a sense, the issues that it addresses cut across several sectors. High technology has been the key to open up the India-U.S. relationship in the past.

It also is important to many of the things we're trying to do together in many of the sectors, whether it's the Agricultural Knowledge Initiative, whether it's energy in which we have an energy dialogue, whether it's defense, whether it's most of the areas of cooperation that we're looking at, whether it's our trade, high technology is very important. It's also very important to India's development and therefore it's something that we attach particular priority to.

The meetings that we've had yesterday and today of the group have been useful because we've looked through - there were several forward looking proposals for simplifying licensing, for instance, for various forms of validated inducer systems, so that it would be easier for companies to trade in high technology items. The U.S. Commerce secretary himself came yesterday. I think some of you were there when he pledged his wholehearted support to this process.

And today we had a session - where yesterday the industry had gone into

break-out sessions in all four sectors: in nanotechnology, biotechnology, in defense and also in information technology. And today, the results of those groups came to the governmental group and we looked at what the governments need to do and how to facilitate this trade. So they've set themselves targets, they've also set some time frames for them to follow ourselves, meaning the governments and industries to achieve these goals. So we are very satisfied with the progress that we have achieved in these meetings. They were productive, open, but I also use the fact that I was here in Washington to have fairly extensive meetings in State Department and with other parts of the U.S. government.

In State, I met with Under Secretary Dobriansky, Under Secretary Burns, Deputy Secretary Negroonte today. In all these, naturally, the stress was obviously on bilateral relations, on the transformation that's taken place in the relationship in the last few years, and on how to carry this forward.

We discussed the situation in our region, in Asia, in the subcontinent, as well, and global issues because what we have to day with the U.S. is a global partnership which extends to a whole series of issues of long-term and global significance -- issues like energy, security, counterterrorism, non-proliferation, visas, climate change. These are issue which I think not just ready for India and the U.S. to cooperate but where we can make major contributions, I think, to the global conversation and the global attempt to deal with these issues.

I also spent considerable time at the Department of Commerce yesterday morning with Deputy Secretary Sampson, today with Under Secretary Levine and with Acting Under Secretary Mark Foulon where we discussed what could be done to improve trade, the investment climate and what we could do.

We also briefly discussed the Doha round and WTO, which as you know is not my specialty or my subject, but we discussed it very briefly. And I also called on Mr. Hubbard, the assistant to the president for economic policy, because he along with Mr. Montek Ahluwalia as you know, had been at the CEOs forum, for which has been a very successful way of identifying and addressing some of the economic issues that we need to solve if we want to take the relationship forward even faster. I don't want to go into too much detail here.

I called on the Commerce Secretary Gutierrez who has just had a very successful meeting, a visit to India last week and you heard him speak

about it I think yesterday. I also called on the agriculture secretary because that's an area which for us is central to our developmental concerns of what we want to make of India. If we do want to transform our society and economy we will need a second agricultural - second green revolution and that scenario where there's a lot of work that we can do together with the U.S. Both these were important.

I leave Washington convinced not just of the potential of this relationship and of how important it is for us and how much potential it has to address not just our concerns but regional and even global issues, but also convinced that while we've set in place a framework and we have taken the first steps, I think, to realize some of the potential of this relationship, there is much more that we can and will do, and the determination is there on both sides to do whatever we can to carry this forward.

I'd be happy to answer any questions. I'm going to take a minute.

Q: (Off mike.) In the light of what Nick Burns said yesterday, do you sense from the American side that there is a willingness to discuss the substitution for the NPT, and is this something that India would actively work towards and support?

Foreign Secretary: I think we've said quite clearly that we are ready to be part of a new international consensus on non-proliferation, and we think there is a need for one. We would like to see a consensus that builds on essentially the ideas that Prime Minister Rajiv Gandhi put forward in 1998 of a nuclear weapon-free world and of moving towards it in predetermined, verifiable time frame which we could agree among ourselves. But the precise shape of this new consensus I'd be reluctant to start spelling out now because that's something that we will have to negotiate among ourselves.

I get the feeling that other states too are looking at (newer new ?) solutions, because I think there are varying levels of happiness or unhappiness with the existing non-proliferation system or regime if you call it that. But we are certainly -- we are ready to do this, and we've been talking to our friends and our partners and to see whether this is possible.

Q: Chidanand Rajghatta, the Times of India: Foreign Secretary, are there Indian entities which are still under sanction and is there any progress - if there are, is there any progress towards getting these removed and do you foresee a sort of zero sanctions situation which would be an expression of good faith?

Foreign Secretary: We would like one very soon. Certainly there are some

entities which are still on the list. We have raised this and it's our expectation that as we move along this process they will be removed from the list and that we will move to a system which is much more open and much easier.

Q: Do you recall top of the head what are the key ones which worry us?

Foreign Secretary: I don't have a list with me right now. I think it's published, I think it's available.

Q: Mr. Foreign Secretary, *Aziz Hannifa with India Abroad*. Could you speak to what some people may call India's balancing act vis-à-vis Iran? Stephen Rademaker, who was till recently one of the more - a very senior administration official then left the administration, went to work for Senator Majority Leader Bill Frist -- former Senate manager - had apparently said in India that India was sort of cajoled and coerced regarding those IAEA votes, and the fact that then Mr. Pranab Mukherjee made the first bilateral visit to Iran, and then of course, India was very quick off the tracks in terms of banning high technology to Iran. Why I ask is even though the administration -- and Nick did this last afternoon also -- has gone to bat and said that there are European allies of the U.S. which have much closer relations. In the Congress there are even driving forces like Congressman Lantos, who simply go ballistic and very nuance vis-à-vis India's Iran relations are watched very closely. So could you speak to this so-called balancing act that India seems to be playing?

Foreign Secretary: To start at the beginning of your question, I think Mr. Rademaker later denied that he'd said anything like that.

Secondly, we have a policy towards Iran of --at least as far as the nuclear issue, which is that you were talking about -- we have a larger policy, but as far the nuclear issue is concerned, it's quite clear to us that Iran needs to address the international community's concerns, and the best way to do that would be with the IAEA. That's something that we've made quite clear with our conversations with everybody. We say this to everybody who talks to us about the issue.

Now, obviously it is in our interest that these issues be resolved peacefully and quickly and through negotiations for the obvious reasons: we have something like more than three million people in the Gulf, in that region; we have a vital interest in the peace and security of that area. It's important to our energy supplies and so on. But the basic fact is we would like to see this resolved peacefully through negotiations and the international community's doubts set at rest as quickly as possible. How that can be

called a balancing act I don't understand. I think that's sheer reasonableness and it's a very clear policy. It hasn't changed at all.

Q: Raghbir Goyal, *India Globe & Asia Today*. Mr. Minister, yesterday you had a wonderful speech at the Commerce and also at the Carnegie, but you did not mention as for the cross border terrorism we're concerned from Pakistan into India, and also there must be a concern Taliban and al-Qaeda are growing in Afghanistan. And my second question will be, sir, a terrorist who was convicted by the Supreme Court of India -- his petition is still with the president of India and the whole India wants to be hanged or whatever definition it was given by the Supreme Court still hanging and is not going anywhere. Why that action has not been taken by the president when the Supreme Court of India says do so?

Foreign Secretary: As far as the second question is concerned, that's still a question which is going through the last stages of the judicial process in India. The president is part of that process, and his appeal for mercy, the president will make up his mind. I cannot say why or why not and when he will do it, it's up to him to decide when to do it. And that's -

On the earlier question, I didn't speak on cross-border terrorism to the HTCG because, frankly, I don't expect them to stand up and do very much about it. I mean, it would be unfair to load them with this. But as an issue, it's something we have discussed with the United States of America, with Under Secretary Nicholas Burns, and we've gone through that in some detail.

Ultimately terrorism is an issue that we need to address at home and with our neighbors, and that's the best place to deal with it, and that's where we will deal with it. But our concerns, what we think about it, what our plans are, that sort of thing - yes, we have shared that in some detail with Under Secretary Nicholas Burns.

Q: Devasish Ray TV Asia. Just commenting on the recent visit of President Putin to India, I had a little chat with Congressman Gary Ackerman, and I asked him to comment on it, and he said that he was very jealous of relationship the U.S. had with India. What do you comment on that?

Foreign Secretary: Sorry. I missed this.

Q: I asked Congressman Gary Ackerman what he thought about the recent visit and he said, we are very jealous with concern to the relationship between India and the U.S. How would you like to comment on that?

Foreign Secretary: Well, I'm sorry. I didn't understand. I mean, for us, the

relationship with the U.S. is very, very valuable. I've just tried to explain how important it is in terms of India's own development, how important it is for India in terms of how it looks at the world and deals with the world, and I think the potential of that relationship is tremendous, so we'd be jealous about it also. We'd be jealous in protecting it.

Q: Thank you. My name is **Luke Engan with *Inside U.S. Trade***, and I wanted to follow up briefly on your Doha round remarks. I realize that you said it's not your area of expertise and so I'm curious which U.S. official raised this topic and what exactly they were asking of you. Thank you.

Foreign Secretary: It's been discussed in commerce and with USTR I think we have an ongoing conversation. The Commerce minister met with the USTR in London just a few weeks ago -- two weeks ago and were planning more meetings. We have working-level meetings going on with the USTR's office on the various sectors, which are going on right now.

As far as WTO is concerned, I think we as India have a great interest in an open rule-based trading system. For us it's very important. It's important to our own development, it's important for our trade, for our investment. We have an interest in an open system because we have seen the effects of closed trading systems and we're not part of the major regional trading blocks. We would not like to see the world market broken down.

Q: I'm sorry. I wanted to ask specifically about your own visit over the past couple of days and what conversation has happened during that time.

Foreign Secretary: Well, we discussed in general terms because, as I said, this is not the subject that we deal with directly and there are the people who are negotiating this, but we discussed our desire to see that the Doha round is brought to an early conclusion, and we discussed some of the issues which are holding it up, and we made it clear that we're very interested in seeing this process through quickly.

Q: Sridhar Krishnaswami- of the Press Trust of India. Yesterday, Mr. Burns remarked at the Carnegie that terrorism will be one of the main topics that the United States will be interested in asking up as the next horizon in the bilateral relationship. I was wondering how much of a meaningful dialogue can we have with the U.S. on terrorism given their own perceptions as it pertains to Pakistan?

Q: Just to follow up on that question. Apparently the U.S. wants to move much beyond the pretty high level of intelligence sharing and terrorism cooperation that U.S. and India have. Could you speak to that -- because

that probably involves intelligence sharing on cross border terrorism, et cetera, which in extent would also involve Pakistan because of satellite imagery and all that kind of thing -- because there seems to be appeals to push by the U.S. that they want to really move beyond, and some say we need some sort of a quid pro quo to push forward the nuclear agreement?

Q: Sir, and let me - (laughs) - also add, while you are at it - (cross talk, inaudible) -- no. You know, for the first time in a long time, yesterday Burns accepted that we do have a terrorist problem in the south as far as India is concerned. But still they will not go and pin down Pakistan as being a source of terrorism. So how meaningful are you going to get with the U.S. on dealing with terrorism as it pertains to South Asia?

Foreign Secretary: Well, I think we already have a very meaningful relationship with the U.S. on counterterrorism. We have a joint working group on counterterrorism, we have an existing exchange of information of intelligence, but there are the steps that we've discussed -- certainly funding, other things we have gone to in some detail together. And it's because of the confidence that we've gained from the experience that we have had already that you heard Under Secretary Nicholas Burns talking as he did yesterday when I think he spelled out some of the steps also in some detail of how we hope to work together.

In our view, terrorism - you cannot be segmented. There are no such things as - this is really terrorism across the board. Wherever it comes from, whoever does it, you have to deal with it and you have to eliminate it. There is no other way. And that is quite clear to everybody. I think this has been our view for many years and all our partners know that that is our view. We are happy with our experience of working with the U.S. in counterterrorism, and we hope to take it to a new level in the future.

Q: Just a quick follow up, because there seems to be this dichotomy where India seems to be taking the philosophical type of - you spoke about the fact yesterday also about the roots of terrorism and things like that, while the U.S. quickly seems to be, these are the bad guys, we got to go bash them - (unintelligible).

Foreign Secretary: I don't see a dichotomy. I think we need to deal with it every which way we can.

Q: K P Nayar from the *Telegraph*. In Delhi and in Washington we all the time hear about what a great relationship India has with the United States, but there is a flipside to that relationship. Chidu Rajghatta referred to the

entities list and the sanctions, we have problems on GSP, on anti-dumping. I'm not talking about commercial disputes, but state-supported problems that create impediments in trade. It's a year since MEA gave the Americans details of those two Indian scientists who were sanctioned for helping Iran's missile nuclear program. They are still under sanctions. Nothing has happened.

The United States does not support India on permanent membership to Security Council, the United States is the only country to veto the Indian candidate for secretary general's job. When the Americans want to do something in defense they go overboard, but when India wants something, it takes up to four years to negotiate a deal. I could go on and on -

Foreign Secretary: I know. (Laughter.)

Q: So what I would like you to do is to look at this part of the relationship which is less edifying so that we have a more balanced picture of what the relationship is like.

Foreign Secretary: Well, I think you have to look at things in perspective. Much of what you mentioned is problems of intimacy. There was a time when you were doing very little trade with the U.S., when you had very little to do with the U.S., and many of the things you mentioned then were not even issues.

These are issues today because you have a relationship that is so much better than you've ever had before. Your relationship today is better than it ever probably ever has been in history and there is no denying that. So no matter how long the list of problems of intimacy that you manage to produce, I don't think I'd change my judgment; that this is a relationship which is not just very important, it's better than it has ever been before and it has a potential for getting even better in the future. And I think that's the context in which you need to look at the individual issues that you might mention.

Q: Prerna Kumar, CNN-IBN. What is the status of the negotiations on the 123 agreement? Did you bring a draft with you this time?

Foreign Secretary: We're still discussing 123 agreement and we're hoping - because the task is actually of reducing the understanding between the two governments which was expressed in July 2005, March 2006. We're reducing that into an agreement, into a legal agreement. We're still engaged in that task.

Q: What do you predict is the timeline? Mr. Burns said I think end of 2008.

Foreign Secretary: Well, as I said yesterday, we'd like it as soon as possible and we're working at it.

Q: Foster Klug with the Associated Press. Secretary Gutierrez yesterday in his speech mentioned India's -- responsibility was the word he used -- in opening up its nuclear market to U.S. companies. Did you feel or were you aware of any pressure from U.S. officials to make sure that that market was open to U.S. that they enjoyed a wind fall from this?

Foreign Secretary: No, no pressure at all. But what I would like to say is that when the market opens it will an open transparent market where everybody -- U.S. companies, all companies -- will be free to compete equally.

Mr. Gautam Bambawale: I think we'll just take a couple of more questions. Is there a second one there in the back? Yes.

Q: (Unintelligible) - we keep hearing about this agricultural initiative, the second green revolution, et cetera, in the U.S. It seems to me that we still haven't reaped the full benefits of the first revolution, and particularly there's one segment which I'm fairly familiar with which I want to talk about. This is for instance, fruits and vegetables. We grow 100 million ton of fruit and vegetables, 40 percent of which perish. So it seems to me more than generating a second green revolution there are problems, A, within India - - storage, marketing, et cetera -- and B, tariffs. Just to pick one item, I don't know if you saw the flush of stories about the roses in Valentine's Day, which kicked off with some - a column I'd written. You have Indian farmers who now buy farms in Ethiopia and Kenya and export out of there because they cannot export directly from Bangalore to Baltimore, which would be the logical (flight ?) for me - or, for instance, tomatoes. You have a tomato disaster that -- people not picking tomatoes because it's one rupee a kilo there and it's 2.99 a pound here. So it seems to me that more than the second green revolution, people would be happy if you can sort of finish the first one and bring down barriers.

Foreign Secretary: I don't think we're saying second green revolution as being the same as the first as doing the first twice. I don't think that's what we mean.

I think what we did was we had this group which was headed by Dr. M.S. Swaminathan and Norman Borlang, and they've actually identified the set of measures among which are the things that you mentioned: the question of getting fruit and vegetable to the market, also access to the markets;

exactly the kinds of things that you mentioned, but they actually mentioned many more aspects. Part of it agricultural education for instance and upgrading the state agricultural colleges, but it goes right through the whole technology of agriculture and of improving it; not just what we did originally which is fertilizers, irrigation and improve seed varieties which is green revolution number one, but this time I think they did a much more holistic approach to agriculture and how we can -- and what we can do together with the U.S. to improve this. But many of the things you mentioned are actually included in that. I think afterwards we'll show you what they agreed, because that's just -

Q: Just in the barrier aspect, particularly because -

(Cross talk.)

Foreign Secretary: The barrier aspect comes two ways. One is in our trade policy forum and in our bilateral talks with the Commerce Department we raised this. You know, mangoes, for instance we've discussed, we hope to have solved soon, but let's see, we're still trying. Exactly. I mean, you're right; it's waiting. But it also comes up in terms of agriculture in the WTO and the Doha round. Agriculture is a big part of it, and some of it is market access which will be solved there also.

But that's a generic solution. Those are solutions across the board where tariffs are being addressed for agricultural produce. In both ways we are trying to solve these problems, but as I said, the Agricultural Knowledge Initiative and the agricultural initiatives that we're talking about bilaterally with the Department of Agriculture yesterday when I called on the secretary, for instance, include most of the things that you have said.

Mr.Gautam Bambawale: We'll take two last questions. One here, please, in front and then one at the back there.

Q: I wanted to take it back to High Technology Cooperation Group and ask you how satisfied you were with the response in terms of the United States' commitment to remove outdated controls on technology exports that date from the Cold War? Did you get everything you want in that area or was there some sort of a short fall? And also on the other side of India the harmonizing with Australia group in Wassenaar? After the technical process is over of determining what gaps exist, could you describe the process in India and if there are significant barriers there to implementing that? Thank you.

Foreign Secretary: Well, on the licensing here in the United States, we're obviously happy with what we've got. There is more to be done though in the future and we recognize that -- both sides recognize that, so we will keep working at it. This is a group that's been in existence now -- this is the fifth meeting of the HDC -- so this is a work in progress, so I don't think we'll say, yes, we're satisfied, it's all over now, we can go home. No. There is more that needs to be done.

But I think as you heard yesterday, the U.S. exports subject to licensing -- U.S. exports to India subject to licensing have declined from something like 24 percent to less than one percent in this decade, so that's quite a change from 1997, I think -- 1999 to 2006. That's quite a change.

But there's still more work to be done. On the Australia group, Wassenaar group, I think Indian industry, chemical industry especially is still looking at what it would mean for it, and that's a process of consultation that we have to go through -- what the Australia group - and we will then see how - we feel that we are to a very large extent already harmonized in terms of our own export controls and what the Australia group needs for it. Wassenaar, we're discussing it, we're seeing how we can - what we need to do, whether there is a difference or not. That also needs to be established, whether we - in fact in some respects, some of our controls and standards are a little higher.

Q: I want to follow very, very briefly on Wassenaar. I just heard from Assistant Secretary - (unintelligible) - that this is the area in which India has the most gaps from the multilateral -- among the four multilateral regimes.

Foreign Secretary: As I said, we're studying. I think we're still looking at that to establish where exactly because in some areas we think we're ahead; some maybe we're behind. We still have to work that out for ourselves and then we see what we do about it.

Q: Shahzeb Jillani - from BBC. Just a follow up question on the nuclear agreement: What are some of the issues which are sort of unacceptable or India has reservations about which you may have raised in your meeting during this visit?

Foreign Secretary: Well, we hope to solve them all. I think there is not much point negotiating this through the media. I think we'd rather do it directly with the government.

Q: Did you bring a proposed draft?

Foreign Secretary: We're still discussing that. We'll see.

Mr. Gautam Bambawale: Well, thank you very much for having been here this evening.



479. Joint Statement issued after the meeting of the Indo-US Joint Working Group on Counterterrorism.

New Delhi, February 28, 2007.

The Indo-US joint working group on counterterrorism met today to discuss cooperative strategies to fight the global menace of terrorism. The US delegation, led by the Acting Coordinator for Counterterrorism, Frank Urbancic met over a full day with KC Singh, Additional Secretary for International Organizations at the Ministry of External Affairs, who hosted the delegation.

They discussed, inter alia, regional counterterrorism efforts, threat assessments in South Asia and the Middle East, bioterrorism, weapons of mass destruction, and the on-going Anti-terrorism Assistance Training Program. The two parties also discussed terrorist finance and money laundering, the ideological dimensions of terrorism, information sharing and widened cooperation for preventing terrorist acts.

They also agreed to find new ways to forge institutional linkages to foster closer interaction and cooperation.

They concurred that no country today is safe from terrorism, and the cooperation between India and the United States not only strengthens the fight against the scourge of terrorism, but is a symbol of the way in which like-minded democracies can work together as partners in countering the global menace of terrorism.

The next meeting of the counter-terrorism joint working group will take place in Washington in the fall.



480. Press Release of the Ministry of Defence on the First India - US Defence Joint Working Group meeting.**New Delhi, April 10, 2007.**

The first India _ US Defence Joint Working Group meeting was held in New Delhi today. The meeting was co-chaired by Mr S Banerjee, Director General (Acquisition), Ministry of Defence and Mr Richard P Lawless, Deputy Under Secretary of Defence (Asian and Pacific Affairs), US Department of Defence. The discussions were held in the most cordial and friendly atmosphere.

The Joint Working Group was envisaged in the New Framework for India - US Defence Relationship, signed by the then Defence Ministers of India and US, Mr Pranab Mukherjee and Mr. Donald Rumsfeld, in June 2005. The Defence Joint Working Group conducts midyear review of the work overseen by the Defence Policy Group, which is the apex dialogue mechanism for the India-US defence relationship.

**481. Press Release of the Ministry of External Affairs on Foreign Secretary's visit to Washington.****New Delhi, April 24, 2007.**

Foreign Secretary Shri Shivshankar Menon will make a two-day official visit to Washington on April 30 and May 1, 2007. In Washington, FS will meet Ms. Paula J. Dobriansky, US Under Secretary of State for Global Affairs and Democracy, to continue the India-US dialogue on global issues of common concern in the format of the 5th Meeting of the India-US Global Issues Forum. FS will also meet US Under Secretary of State for Political Affairs, Mr. Nicholas R. Burns for discussions on India-US bilateral agenda - including the bilateral civil nuclear energy cooperation agreement^U.



^U The visit apparently took place in the background of persistent media reports from USA that America had expressed concern at the delay in negotiating the nuclear cooperation agreement. Press Trust of India quoted the US newspaper *USA Today* suggesting on April 13 that "the landmark nuclear accord between New Delhi and Washington risks collapse as Indian demands, including the right to continue testing nuclear weapons,

undermine the U.S. rationale for seeking the deal". India was making demands that would increase, "not lessen," its military nuclear capabilities and at the same time it developed closer ties with Iran, the report quoted senior administration officials and nuclear experts as saying. The news agency further quoted Henry Sokolski head of the Nonproliferation Policy Education Centre that "The Indians are being greedy," and expressed the fear that the agreement might not be implemented before the Bush Administration left office. Nicholas Burns, Under Secretary of State, who was in charge of the negotiations, acknowledged that three rounds of talks produced little. "I don't question India's goodwill," he told the paper. "But there is a fair degree of frustration in Washington that the Indian Government has not engaged seriously enough or quickly enough with both the United States and the IAEA." They said India wanted "permission to buy uranium-enrichment and plutonium-reprocessing technology from the U. S." - both have military applications and sale is prohibited in most cases by U.S. law. New Delhi has also sought no limits on testing nuclear weapons. PTI further quoted that the US administration reportedly told New Delhi that the United States reserved the right to terminate nuclear cooperation if India tested weapons again. Robert Einhorn, a proliferation expert at the Center for Strategic and International Studies in Washington and former senior State Department official in the Clinton administration, said the Department of Atomic Energy of India "may want the deal to fall through" to shield itself from competition from foreign contractors with nuclear engineering expertise, such as General Electric and Westinghouse. However, US Under Secretary of State for Commerce and International Trade told a seminar in Washington organized by Woodrow Wilson Centre and Federation of Indian Industry that the two countries were engaged in finalizing the 123 agreement that was under discussion. He did not agree with the perception that the ball was in India's court and somehow New Delhi was unwilling to return the "serve". "What both countries are trying to do is to move the relationship ahead in an important area. It is unprecedented for both India and the United States. Both sides are moving and both sides are undertaking steps that their systems, their regulations are not familiar with. So it will take a while", he said. He added both countries had responded in good faith to the nitty-gritty of implementation and his country had no concern. "I don't think there is any concern on the US side, but the sooner we get it done the better. There is a lengthy pipeline in this project. Let us not waste an extended period of time," he said, adding there was indeed "enormous support" for this nuclear initiative in the US business community. Meanwhile visiting Brazilian Foreign Minister Celso Amorim who met the Prime Minister on April 13, told a press conference in New Delhi that Brazil as chairman of the NSG had had discussions with India and found it committed to non-proliferation. He said that the attitude of other members of the NSG to India was changing. Keeping open the option of cooperation in peaceful uses of nuclear energy, he however, pointed out that this would have to take place in the framework of Brazil's full-scope safeguards agreement with the IAEA. It may be recalled that during their meeting in Brasilia last year, the leaders of India, Brazil and South Africa agreed that international civilian nuclear cooperation, under appropriate IAEA safeguards, among countries committed to nuclear disarmament and nonproliferation objectives, could be enhanced through "acceptable forward looking approaches" consistent with their national and international obligations. Pointing out that the US - India civil nuclear cooperation agreement was still to be concluded, Mr. Amorim said Brazil would proceed according to its international obligations. At the same time, India had to take its discussions with the IAEA forward. "We don't feel threatened in any way," he said about India's still-in-the-works nuclear deal with the USA. Brazil was comfortable with its own geo-strategic situation, he said.

482. Press Conference by Foreign Secretary Shivshankar Menon during his visit to Washington.**Washington (D. C), May 1, 2007.**

Mr. Rahul Chhabra: Welcome. It gives me great pleasure to welcome the Foreign Secretary of India, Mr. Shivshankar Menon, here in Washington. He's been here for two days now and had several meetings across the two days. I request him to brief us on these meetings and so please keep your questions to the end. We also have Mr. Ronen Sen, Indian Ambassador to the United States here with us, along with DCM Mr. Jassal. Just a note to keep your cell phones on silent mode, please. Thanks. I request Foreign Secretary Menon to now take the mike.

Mr. Shivshankar Menon: Good evening, ladies and gentlemen. As you know, I've been here yesterday and today. I thought I'd just give you a brief rundown over what I did, and then I'd be happy to answer any questions that you might have.

We started the day yesterday with the India-U.S. Global Issues forum. We did the fifth meeting of the forum. This is a forum with Undersecretary Paula Dobriansky. This is a forum where we discuss issues of global significance, things like democracy, environment, and climate change. We have discussed HIV/AIDS, for instance, and these are areas where over time, we have developed several - we've found several areas of congruence where we can work together. We've developed several projects. For instance, the idea of the UN Democracy Fund - we first discussed it - it first came up in this forum. We also set up the Asia Pacific Partnership for Clean Development and Climate, which as you know is working on much more energy efficient technologies for steel, for cement, for energy production as well. So we had a broad discussion of these issues. We found that there were several areas where we think we can cooperate together, India and the U.S., and we're looking forward to doing that in the years to come.

After that, yesterday evening and most of today I spent with Undersecretary Nick Burns. We did three things. We discussed some bilateral issues, we covered regional issues, issues in our region, in South Asia, also in Asia as a whole, and some other issues, some larger issues. And we also discussed the 123 Agreement, the India-U.S. civil nuclear bilateral cooperation agreement. In all these, we had very productive discussions. On the 123, we think we've made considerable progress forward, and we now expect

to welcome Undersecretary Burns to India later this month, in the second half of this month, and we hope to finalize this as soon as we can.

On the regional issues, I think maybe it's best if I leave these things for you to ask questions about them, and I'll tell you, depending on your interest. But overall, as far as I'm concerned, it's been a very productive, very useful two days in Washington, DC, and I think we've made progress on all fronts. I think it's a measure, really, of how the relationship has been transformed in the last few years, that we come in, do our business, move our relationship along in all respects, in terms of exchanging views, in terms of working together, seeing where there is congruence between our policies, and also in moving forward our bilateral agenda in which the 123, as you know, is a very important part. I am open to questions.

There is one other thing. I called on the Secretary of State, Secretary of State Rice, in the afternoon. I had a very good meeting with her where we looked at the broader relationship and expressed satisfaction at how it had developed over the last few years, and her own contribution, as you know, to this process has been considerable. In fact, a lot of it wouldn't have been possible without her, without her guidance and help to the relationship. I'd be happy to answer questions.

Mr. Chhabra: Please introduce yourselves and then we'll have the questions. We'll start with Carol.

Q: Carol Giacomo from Reuters. Could you tell us specifically how you have resolved the three issues at the - the three obstacle issues at the heart of the 123 Agreement: testing and United States requirement that if testing occurs, U.S. material would be - cooperation would be halted, reprocessing, and the question of prior consent?

Mr. Menon: I have a deal with Nick Burns that we're not going to get into the issues until we've solved them all. When we have an agreement, we'll tell you all about it.

Q: Are you as -

Mr. Menon: And I'm not going to get into individual issues at this stage. Frankly, there's no point because there's no point trying to negotiate issues, no matter how close we are or even if we've solved them, through the media.

Q: The United States, in a statement, has suggested that you could finalize

this by the end of the month. You said you'd made progress; are you as confident that it could be over by the end of May?

Mr. Menon: I think we're both confident that we can do this, and we both want to do it very quickly, the quicker the better.

Q: Aziz Haniffa from *India Abroad*. I'll give it a try too; knowing the quintessential diplomat you are, you're not going to share your constructive ideas, nor the progress, extensive progress, but this is sort of déjà vu all over again. Nick Burns, about three or six months ago, also said that 123 is a formality, it's a technicality, you know. What's this you keep asking about 123? And then for the first time, we've had the quintessential diplomats like Nick Burns publicly talking and using the word frustration. I'm going to try, as Carol did. What I mean is, there are domestic political compulsions in India, too, so how confident are you that because there is a certain concern in industry, et cetera, that, and I'm sure Ambassador Sen is also hoping this is completed on his watch.

Mr. Menon: I think it's doable and I'm sure that we can do this, but as I said, we've made considerable progress. We still have issues to settle, and until we settle them all, I'd rather not get into saying which ones, how much, where, but I think it's doable, and we'd like to do it as quickly as possible.

Q: Sir, let me try my -

(Laughter.)

Mr. Menon: Okay, three times, okay?

Q: Yeah, three times.

Mr. Menon: One, two and three, that's right.

Q: One, two three.

Mr. Menon: Yes, that's it, that's good.

Q: Sir, from a phase of being frustrated, supposedly you've moved into a phase of finalizing as soon as we can. Could you please walk through what made you, between three days back when Americans were frustrated and today? You have apparently come with a lot of constructive ideas.

Mr. Menon: I think you should ask the people who were frustrated, and I don't think I ever said that.

Q: So the Indians have never been frustrated in this process?

Mr. Menon: Did I ever say that?

Q: No, no, no, no. I'm just asking you.

(Laughter.)

Mr. Menon: That's three.

Q: Four, five, six, then.

Mr. Menon: Four, five, six coming?

Q: K. P. Nayyar from the *Telegraph*. I won't deal with -

Mr. Menon: Very good, very good.

Q: A few weeks ago in Geneva the CoD appointed a new coordinator to fast track discussions on fissile material cut-off, which means then FMCT may well be a reality in a couple of years. Meanwhile in India, we are still in the second stage of Homi Bhabha's plan. My question is, given India's problems with the mining of natural uranium, and considering that the material situation on the ground in Geneva has changed last month, what assurances can you give that the July 18th statement, the commitment in the July 18th statement to work with the Americans on FMCT will not impede India's efforts to achieve a credible nuclear - minimum nuclear deterrent?

Mr. Menon: I think when we said that we are interested in working towards an FMCT which is non-discriminatory, which is verifiable, and as you said, which is credible, I think we had made all these calculations. I think none of this is new. What we are doing here in the 123 is trying to open up a whole new source of energy to us. But what we're doing in the 123 has very little, in fact has nothing to do with our domestic, indigenous three-stage nuclear power program, nor does a commitment to an FMCT, which we entered into, knowing where we were, knowing all the factors that you've mentioned. Frankly, we see the FMCT as a possible contribution, depending on the kind of FMCT that emerges from a process of negotiation, we see it as a possible contribution to nuclear disarmament, which is, as you know, one of the most important parts of general and complete disarmament, which is what we would like to see. So I don't see any contradiction between these three elements that you mention, and I don't anticipate this as affecting our minimum credible deterrent in any way.

Q: You mentioned that verifiable FMCT but the American position on verification itself has undergone a fundamental change where they no longer believe in international verification where they depend on

Mr. Menon: I think the reason there has to be a negotiation of an FMCT is because everybody has different positions, and if we all had the same position, we wouldn't need negotiation.

Mr. Chhabra: Judy?

Q: Sir, critics of the deal -

Mr. Chhabra: Please introduce yourself.

Q: Oh, I'm sorry. My name is Judy Matthews, and I'm a reporter for **Bloomberg News**. Oh, thank you. Critics of the deal in the U.S. Congress point to the arrest in March of two Indian nationals who were accused of exporting forbidden technology to India, and they point to India's relationship with Iran and say that they have fears that U.S. technology could wind up in Iranian hands. What do you say to those fears? How do you address those?

Mr. Menon: Actually, we've seen reports and we saw an indictment, not of two Indian nationals, one Indian national, I think, and we actually asked today, we asked at State for information about this because we'd like to know what there is, and if there is something that we should be looking at, investigating, we'd like to get to the bottom of it. So we actually asked for information; we're hoping to get it. Then maybe I'll be in a better position to answer what you're saying.

The other issue about Iran, I'm not quite sure where these stories are coming from because nothing that India does with Iran is in any way in contravention of either of the UN Security Council resolutions, and much of what we do is what is normal between states and is done with Iran by several other states.

Q: I'll just try to rephrase the question which Aziz and Ms. Carol did ask. When we talk about considerable progress, on a scale to one to 10, where would you mark this considerable progress?

Mr. Menon: When it's done, I'll tell you exactly where we were on -

Q: That would be after the fact, sir.

Mr. Menon: It will be. It'll have to be.

Q: All right, sir.

Mr. Menon: Because 10 would have to be only when it's done.

Q: So you're not saying it's seven, you're not saying it's two? All right.

Q: Mr. Secretary, two quick questions. One, as far as these mangoes are concerned today, a big inauguration at the Commerce Department. With the shipments of mangoes from India, you think all the - (unintelligible) - are now all between the United States and India, or do we still have some outstanding issues as for trade and economic issues of concern?

Mr. Menon: You'll have to ask the Ambassador.

Mr. Aziz: He has already indicated his preference for a certain variety-
Laughter.

Ambassador Sen: I think this is an important symbolic because we regard the mango as something not of Indian origin, but I think we have the best mangoes in the world, whichever part of India that comes from. Yes, I've got myself into some problem by expressing my preference for the mango of only one particular part of the country, and we can have animated discussions in India, as you know, all of the thousand varieties of mangoes, but it's something, it's emblematic of this relationship, this changed relationship that for a year or so, when this was first taken up and discussed between President Bush and Prime Minister Manmohan Singh, that we've already - (unintelligible) - of this issue, which has been pending for something like one or two decades - more than that, actually, more than two. Two and a half decades. And so it's manifestation of, you know, a new sense of confidence, a new sense of globalism, working together, so from that point of view, it's more. Then it's also something which is of - which could be a plan that could benefit the Indian farmer. So it is a relationship which is, some people say that it would benefit the - (inaudible) - but this is also a manifestation of the fact that in the course of globalization, this is going to be an inclusive process and benefit all nations.

Q: Second, Mr. Secretary, for Bangladesh. As far as Bangladesh is concerned it is going the Pakistan way, just like foreign leader General Musharraf for dictators' path, and two states now we have supporting terrorism against India, and I have not heard much as far as India's positions concern on the situation in Bangladesh because there had been supporting terrorism into India because all those terrorists came from Pakistan, from ISI.

Mr. Menon: Where is the question?

Q: The question is, sir, what India's position is as far as Army rule now in Bangladesh and four prime ministers, two from each countries, are now living outside of their countries, two from Bangladesh and two from Pakistan, and they have been charged with -

Mr. Menon: Well, in the first place, no two countries are identical, so I don't think you need to make that statement. Secondly, two prime ministers, I think, maybe from Pakistan are abroad, but only one from Bangladesh is abroad right now. It's up to them where they stay, what they do. We want a peaceful, stable, moderate Bangladesh. That's in our interest. We want to be a good neighbor to Bangladesh. We would like to see the restoration of democracy in Bangladesh as soon as possible. The present caretaker government is doing things which need to be done: the electoral roll, for instance, putting in place a system so that the people of Bangladesh have a chance to express their will freely, fairly, through an election, and we would encourage that.

For the rest, we will, as a good neighbor, work with Bangladesh to try and address the kinds of problems that we have. We have major issues in the subcontinent between India and Bangladesh as well, the basic issues, of course, of development. We have other issues; you mentioned one, extremism. We have issues of water. But these are all issues which we think, as neighbors, we can address and we will address with the authorities in Bangladesh.

Q: I apologize if I'm asking a question that's being repeated because I've been late. I'm with NDTV. We'd just like to know why the U.S. is accusing India of dragging its feet in negotiations and what are the stumbling blocks left now preventing an agreement from being reached?

Mr. Menon: Yes, you're asking a question that's been asked before.

Q: I apologize, again, to everybody.

Mr. Menon: Well, I think if you look at what the State Department said today about the agreement, I think they've said that, as I am saying, that progress has been made, and we hope to finalize it and that that's our goal. We hope to do that as quickly as we can. So I'm happy with the progress that we've made. I don't see that this - or let me put it positively: as far as I'm concerned, this is doable, and I think we've shown over the last 24 hours in our discussions that we both want to do it, and we want to do it as quickly as possible.

Mr. Chhabra: There's a question there.

Q: Jitendra Joshi with AFP. I just wanted to follow up on the question about Bangladesh. Could you expand a little on the substance of your discussions of regional issues with Mr. Burns and/or with Secretary Rice, whether you discussed Pakistan and any kind of joint U.S.-India action to restore stability to the region?

Mr. Menon: I think we shared our perceptions on the situation in the region, as I said, and that included Bangladesh, included Afghanistan - it also included countries which were further afield, and it also included issues which were further afield, broader issues, including some at the UN and so on. So we had a fairly broad-ranging discussion, but don't forget, I've only been here two days, you know, there's only so much we can do in these talks. It was a pretty full agenda because we did regional issues, we did bilateral issues, we did global issues, and we did the 123 Agreement as well, so that kept us quite busy.

Q: You met Steve Hadley?

Mr. Menon: No, I didn't.

Q: Shahzeb Jillani from BBC. The U.S. has publicly, obviously, characterized the negotiation - there's a sense of frustration in Washington. You obviously have not used that phrase to characterize the negotiation. Would it be fair to say that you are cautiously optimistic?

Mr. Menon: It's up to you. What did you hear from me?

(Laughter.)

Q: I'm asking -

Mr. Menon: I mean, I don't characterize myself, I think that's up to you. You've heard what I said. It's up to you what you want to call it.

(Off-mike.)

Mr. Menon: Yes? You like it? You've got another characterization.

Q: Are there any issues in this agreement which are left for the G8 meeting and the expected meeting between the Prime Minister and the President on the sidelines of G8 in June?

Mr. Menon: I think we, as I said, we expect Undersecretary Nick Burns to

come to India before that, towards the end of May, in the last, second half of May. So we will have another opportunity to discuss these issues. I think the G8 is much beyond that.

Mr. Chhabra: Thank you. Thank you.

Mr. McCormack: Well, Foreign Secretary Menon had dinner last night with Nick Burns and he met yesterday with Paula Dobriansky. He's going to have further meetings today with Nick Burns and Richard Boucher. The Secretary, I think, is going to stop by those meetings. She'll have a chance to chat with him.

Our focus is going to be primarily on the nuclear issue with India, how we can move forward on the 123 agreement. The initial read from the dinner last night was that the Foreign Secretary came here with some constructive ideas. That doesn't mean that we are going to be able to move this as quickly as we had hoped -- we'll see -- as a result of these meetings. But we're confident in the long run that we will get this deal done. So that will be the focus of the discussions. I expect they're going to talk about other things as well, the broader U.S.-India relationship.

Question: The Secretary has any special message for him or for the Government of India as far as this nuclear issue is concerned?

Mr. McCormack: Only that we're committed to working in good faith to get an agreement, that we are confident that the Indian side is ready to work in good faith to get an agreement, that we will get one done and that it's going to require some creativity and some compromise on both sides in order to get an agreement done if we're going to be able to move this as quickly as we would have hoped. We're at a point now where we're going to see whether or not the agreement can be moved forward quickly or not.

Question: Can I follow up on that?

Question: Yes, please.

Mr. McCormack: Yeah.

Question: Did Under Secretary Burns have any talks yet with the Indian Foreign Secretary?

Mr. McCormack: I think they've started this morning. He had some discussions this morning.

Question: This morning?

Mr. McCormack: Yeah, he had dinner with him last night.

Question: Okay. And do you have any readout on that, on whether -- I mean, presumably he's got some kind of a sense of this so far. Do you have a sense of how it's going and whether you think you are going to --

Mr. McCormack: Not from this morning, but what I was conveying to you, sort of our overall sense that the Indians came here with some constructive ideas and that there's a possibility that we could move the process forward based on these ideas, although that's not a foregone conclusion. It was based on my discussion with Nick this morning about his dinner last night.

Thank you.



483. Speech by the External Affairs Minister Pranab Mukherjee at the Conference on "Business in and between India and the US- Legal and Regulatory Framework".

New Delhi, May 4, 2007.

Mr. Lalit Bhasin, Ladies and Gentlemen,

I am very happy to be invited to speak at the opening of this conference on the legal and regulatory framework for business in India and the US. This initiative taken by the Indo-American Chamber of Commerce and the Centre for American and International Law is a timely one. I am aware of the commendable work done by both the organizations in their respective areas and I am glad that they have chosen to focus on an issue that is topical. I hope that the conference will provide an opportunity for meaningful discussions that, in turn, would result in recommendations to the two Governments and help us further strengthen our bilateral strategic partnership.

The recent upsurge in India-US relations has caught everybody's attention. Developments over the last few years, including the landmark reciprocal visits by Prime Minister Manmohan Singh and President Bush within the space of eight months in 2005-2006, have unfolded the full extent of the transformation underway between the two countries. There is a considerable

degree of expectation and excitement, not just in New Delhi and Washington, but in different capitals around the world. The agenda that the two countries are engaged in today is an impressive one, covering a wide range of economic and trade objectives, energy and environmental concerns, science and technology collaboration and defence and security cooperation. It is no wonder, therefore, that the strategic partnership between the two countries has truly matured into one of considerable substance.

At the same time, observers of the relationship, especially in the last two years, have devoted a significant proportion of their attention to the landmark India-US nuclear understanding. I am not trying to diminish the importance of this initiative in any way. In fact, much of the attention it has received is a reflection of its tremendous importance, including its impact in changing perceptions both among the public at large and within our two governments and we remain committed to implementing the understanding expeditiously in a way that it adheres as closely as possible to the framework of the July 2005 Joint Statement and the March 2006 Separation Plan.

However, behind all of this and away from the public eye, there has been a quiet but steady consolidation of many other vital aspects of our relationship, especially in our trade, investment and economic cooperation, the high technology and S&T cooperation, the energy dialogue, and cooperation in agriculture. These are also aspects of our partnership that have important developmental implications for us and where we feel the India-US partnership can be leveraged to fulfill some of our national development objectives. In that sense also, one must appreciate the full extent of the unique turn that this relationship has taken.

The economic aspect of our interaction, in fact, always provided a strong underpinning to our relationship, even when the level of political engagement was not quite where it is today. However, in recent times, the pace and scale of its expansion, engineered partly by India's own economic growth and partly through a series of active and joint government initiatives, have been quite impressive.

The US is today India's leading foreign investor and our largest trade partner. Ambassador Blackwill's erstwhile description of our trade being "as flat as a chapati" is now a thing of the past. We are now the fastest growing export market for the US with our bilateral trade growing by over five times in a period of 16 years from a modest \$5.6 billion in 1990 to \$31.92 billion in 2006. While the balance of trade has been in India's favour with Indian exports to US growing in excess of 16% last year to stand at \$22 billion,

US exports to India have also picked up in recent years. In 2006, they stood at over \$10 billion, almost 26% higher than the previous year's figures. In fact, over the last five years, US exports to India have doubled. Of course, we feel that a further easing of high technology restrictions on India can help narrow the trade deficit further and we remain engaged with the US to achieve this objective as a priority.

In the area of foreign investment too, US foreign direct investments since 1991 has been more than \$5.5 billion, accounting for more than 13% of the total FDI in the last 15 years. Besides, Foreign Institutional Investment from the US has also been on the rise - over 1/3rd of the FIIs are from the US. What is notable is that foreign investment is no longer a one way street. Reports of overseas investments by Indian companies, including through acquisitions, have become routine. In fact, Indian investments abroad last year matched investments made in India and a number of Indian business groups, such as the Tatas and Mahindras, are increasing their footprint in the US.

Even before the July 2005 visit of the Prime Minister, the two Governments had begun to focus on a reinvigorated economic partnership. A decision was taken to re-energize our economic dialogue that would focus on key areas that required high level attention. The results are there for all to see. We saw an important legacy issue of Dabhol set to rest. India and the US signed an open skies treaty that is set to have effect in areas much beyond the aviation sector alone. It is not just impacting on figures of aircraft procurements, but is also reflected in tourism figures. An agreement with the US Trade Development Agency in February 2005 to facilitate infrastructure investment has led to the USTDA partnering or promoting activities in areas such as patent training, agricultural biotechnology, cold chain system improvement, aviation cooperation, coal bed and coal mine methane clearinghouse and in oil and gas sectors. In the area of agriculture, we are implementing the bilateral Agriculture Knowledge Initiative which is premised on our experience of green revolution and the compelling need to revive that process to redress the imbalance in this sector which has not kept pace with overall growth of the Indian economy. Last, but not the least, the Indo-US CEO's Forum is fulfilling a vital role in providing practical recommendations on removing bottlenecks and bringing about policy changes that would bring the desired transformation in the way we do business with each other.

Given the fact that both countries are knowledge economies with very strong

technical and scientific manpower, high technology naturally underpins almost everything that we have started together in the past few years. The US is India's largest technology collaborator and the High Technology Cooperation Group, a private-public partnership focusing on the key areas of biotechnology, nanotechnology, information technology and defence technology, is charged with working towards facilitating and easing licensing restrictions in respect of India. As a result, from 24% of total U.S. exports to India requiring a license, we have today a situation where less than 1% of US exports have to be licensed. An important development in this area was also the signing of an S&T Cooperation Agreement in 2006. The Agreement has an IPR protocol that will help redress, along with India's Patent Act, the imbalance in patent generation within India. Space is another important area where our skills and comparative cost advantages can benefit both sides in partnership. Apart from cooperation on space science, earth navigation and space education, we have an agreement that will allow two US instruments to be included in our Lunar Mission Chandrayaan-I demonstrating the tremendous potential in this area.

A very important aspect of all that we do together in the economic sphere is our dialogue on energy. Secure and sustainable energy sources are vital for ensuring India's high economic growth rates and enable it to address the developmental challenges of the poorest of its citizens. We need to tap all sources of energy and keep our options in this regard open. It is an appreciation of this need that is at the heart of the India-US civil nuclear understanding and the larger energy dialogue which focuses on oil and gas, coal, power and energy efficiency and renewable energy and new technologies. The benefits are already visible. India became a partner in the US-led international Future-Gen near-zero emission power plant research project in April 2006. The US has also supported India's participation in the Integrated Ocean Drilling Programme, which we are likely to join shortly. In non-conventional energy, the focus has been on the development, deployment and commercialisation of technologies for sustainable and renewable fuels. In civilian nuclear energy, India joined the ITER fusion energy research project with the support of US and other key partners. These efforts are complemented by the participation of India and the United States - along with Australia, China, Japan and ROK - in the Asia-Pacific Partnership on Clean Development and Climate that seeks to provide technology and market solutions to energy requirements while meeting environmental challenges.

Ladies and Gentlemen, I have attempted to lay out the extent of the India-US economic partnership. The challenge lies in keeping the momentum going. We as Government are committed to the objective of realizing the full potential of this relationship. The natural affinities and complementarities between us have never before been so closely supplemented by a strong political convergence. I am hopeful that industry will continue to provide the lead in this area. We, in the Government, remain committed in the role of a facilitator. I also hope that at the end of this Conference, we will have a set of recommendations for the two governments. I wish the organizers and participants well. With those words,

I thank you very much.



484. Press Release issued by the Prime Minister's Office regarding telephonic conversation between the Prime Minister and President Bush.

New Delhi, May 7, 2007.

The Prime Minister received a telephone call from President George Bush this evening. The two leaders discussed matters pertaining to the agenda of the G-8 Outreach Summit due next month. The Prime Minister conveyed India's commitment to work with other countries to deal with the problems of climate change and global warming. He said that the problems of environment cannot be solved by perpetuating poverty in developing countries. The two leaders discussed the Clean Development Mechanism and agreed that the emphasis has to be on greater energy efficiency and the development of new technologies.

The two leaders also emphasized the importance of a successful conclusion of the Doha Development Round of multilateral trade negotiations. The Prime Minister said that India has a strong vested interest in the successful functioning of a multilateral trading system, and that India would like the Doha Round to adhere to the original understanding that it will be a development round. The Prime Minister said India would like to work with all like-minded countries to make a success of Doha negotiations.

The two leaders expressed happiness at the strengthening of the bilateral relations and reviewed developments pertaining to negotiations on bilateral civil nuclear cooperation. They also discussed other regional matters.

The President invited the Prime Minister to visit the United States again. The Prime Minister accepted the invitation and said mutually convenient dates will be worked out.



485. Question in the Lok Sabha; “Combating illegal activities on high Seas”.

New Delhi, May 16, 2007.

Will be Minister of External Affairs be pleased to state:

- (a) Whether the United States has asked India to join a world wide network to combat illegal activities in the high seas;
- (b) If so, the details thereof; and
- (c) The reaction of the Government thereto?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) No proposal has been received from US Navy in this regard.
- (b) – (c): Do not arise.

Shri Chandrabhushan Singh: Mr. Speaker, It has been repeatedly reported in newspapers that there were detailed discussions of Admiral Michel Maoulin with the defence personnel here. Why the Government wanted to keep it secret; and not giving the details? I want to know if our policy is pro-America? If it is so, the hon'ble Minister may like to give some information.

Shri Pranab Mukherjee: I have just answered the question. So far as India and the United States Defence cooperation is concerned, that is a different question altogether. I have never said that there is no Defence cooperation between India and the US. The question is: “(a) whether the United States has asked India to join a worldwide network to combat illegal activities on the high seas; (b) if so, the details thereof.”

There has been no proposal of joining an international, worldwide activity because there is no necessity as in 1982, the United Nations itself had a Convention; the United Nations laws on the crimes on the high seas. There is 1988 SUA Convention which deals with the maritime crimes on the high

seas. India being a signatory to both these international Conventions, there is no question of participating in any global exercises initiated by any individual country. I think, in response to that question I have stated.

If the hon. Member has specific question in regard to India-US maritime cooperation, I will be very glad to answer that question.

Shri Chandrabhushan Singh: Sir, in the second supplementary I ask you a straight question. The illegal activities that take place in our waters, why is our Navy unable to control them and why have they not been controlled?

Shri Pranab Mukherjee: This is a much larger question and that is why the international cooperation is sought for. It is very important that we should protect specially the sea lane which passes through the Indian Ocean because from Malacca Straits onwards it carries nearly 60 per cent of the world's energy supply. Therefore, the safety and security of this sea lane is very important.

But a large number of maritime crimes take place. Therefore, it is the international practice to seek the cooperation of the littoral countries, where actually the offences are taking place. For that, the international conventions under the United Nations are there. Indian Navy, Indian Coastguard and Indian Maritime Police are competent to deal with this and we have done so. In fact, in the past when a Japanese ship was hijacked, Indian Navy intercepted and released that. Similarly, when one of our ships was taken over by the pirates in the coast of Male, with the cooperation of the other littoral countries we have been able to rescue that. This type of practice and international cooperation are ongoing.

Shrimati Maneka Gandhi: Sir, previously a very limited form of crime on High Seas takes place. One of the biggest crimes now is the transport of wild life. For instance, to many countries, through Chennai, we are sending sea horses and other things, sometimes it is being caught by the Customs but most of the times, it is left out. The second place, for instance, is the line of Panama flag ships outside the Orissa coast, and they are all illegal. The coastguard is singularly ill-equipped.

Could the Minister tell me what has been done to stop the wild life crime on High Seas? Is there any question of bilateral pact with any countries because a lot of this crime is going on to China, to Malaysia, to Philippines and *vice versa*? Would the Minister please tell me about that?

Shri Pranab Mukherjee: Sir, human trafficking and trafficking of wild life

are the crimes against the international law. We are a party in all these international Conventions including the Conventions of 1982 and 1988, and we have the cooperation.

In respect of the effectiveness in addition to the Coastguard, it is incorrect to say that Indian Coastguards are ill-equipped. Yes, there may be a difference between the actual desire and the actual achievement, and always we are trying to do so. But if the hon. Member takes the trouble of going through the development of Indian Coastguards, which was established in 1978 and the development that has taken place till today, she will find that there has been a substantial development.

In addition to that, very recently we have developed cooperation between the Coastguard and the Marine Police, another institution under the Home Ministry to take care of the crimes which take place within the territorial waters but not within the jurisdiction of either the coastguard or the Navy. Despite that, sometimes this type of information comes that some wild life smuggling or trafficking takes place. Surely as and when we get the information, we get the intelligence, we intercept and we take appropriate action.

Shri N.N. Krishnadas: Sir, the three borders of our continent is surrounded by sea. So, illegal activities on High Seas are of more concern to our country.

Recently, a lot of incidents have been reported by the dailies and some other media. The fishermen from our seaside are captured by LTTE and some other illegal organisation also. Sir, from Kerala sea border also, a lot of fishermen are missing.

Mr. Speaker: You are going far way from the Question.

Shri N.N. Krishnadas: What are the steps being taken by the Government of India to combat this type of illegal activities and to find out the missing fishermen from our sea border areas?

Mr. Speaker: From USA, you have come to Kerala.

Shri Pranab Mukherjee: We have a bilateral agreement between India and Sri Lanka to protect the fishermen of India and Sri Lanka. Most of the times it is found out that the fishermen of one country cross the territorial waters of the other country. We have the arrangement between Pakistan and India in respect of such things which take place in the Gujarat coast.

Sometimes when the fishermen are arrested by other country, we make all efforts to get them released. This is a continuing exercise.

Shri Saleem Shervani: Sir, a number of times, when people indulging in illegal activities on the high seas or smuggling, are chased by our Coast Guards or the Navy, they dump their goods in the seas. Do we have any schemes by which we can try to retrieve these goods that had been dumped or put a value to these goods that had been dumped?

Shri Pranab Mukherjee: Sir, very recently we have done one, and we have received the appreciation that certain contrabands, explosives were being transported — of course, it was not dropped by interaction, it was dropped because of the accidents — and our Coast Guards and Navy combined, did an operation, to retrieve it. Sometimes, if it is possible to retrieve it, we do it. It is part of the exercise.



486. Response of Official Spokesperson to questions following media reports^U regarding a visit by US Under Secretary of State for Political Affairs Nicholas Burns.

New Delhi, May 17, 2007.

In response to questions following media reports, the Official Spokesperson said:

"No particular date had yet been finalized. We are in the process of exchanging suggestions and examining them. We will let you know when a visit is scheduled."



^U The Spokesperson was referring to the media briefing in Washington by the State Department Spokesperson McCormack who said; "Burns will go to New Delhi when we are ready to seal the deal. And we are not at that point yet," when asked to comment on when Burns will be going to New Delhi. "Nick's going to do what he thinks is appropriate and most effective in order to get a deal done. And at what point he travels to India, he's going to make that call. But he's going to do what he thinks is most effective in getting a deal. I know that there were some press reports about whether or not he was going this week or next week. I'm not aware that he has any travel plans, at this point, to go to India," McCormack said. "Now, if this comes up within the context of the 1-2-3 agreement, where are we in that? We are working on it. We are making progress on it. It's not completed yet. But I understand that, over the course of the past several weeks, there have been some positive discussions on concluding that agreement. "We certainly want to do that. We understand from the Indian government that they want to conclude that agreement as well," he added. McCormack was reminded that earlier this month at the time of the Indian Foreign Secretary's visit he was very optimistic that the deal can be closed by the end of this month. "I don't know if I said that it would be closed by month's end. I very rarely apply timelines to diplomacy. It inevitably proceeds more slowly than we would normally like. Sometimes we're surprised by that," McCormack said. "But there's a commitment here to get this agreement done. We would like to do it sooner rather than later. But these are important issues, important issues for us. They're important issues for India. They're important issues for the international system that deals with matter of nonproliferation and nuclear energy," he added. "So we want to get it done in a timely manner, but we also want to get it done right," McCormack said.

487. Media Briefing by Foreign Secretary Shivshankar Menon on the visit of US Under Secretary of State Nicholas Burns and talks on the Civil Nuclear Energy Agreement.

New Delhi, June 2, 2007.

Foreign Secretary (Shri Shivshankar Menon): I thought I would brief you on Under Secretary Burns' visit while it is still fresh in our minds.

We have had Under Secretary Burns here for the last three days. We have had three intense, productive, constructive days of discussions with him. Apart from the talks with Special Envoy Shyam Saran and me on the 123 Agreement, he also called on our leaders. Earlier this evening, he had a courtesy call on Prime Minister. Yesterday evening, he called on the External Affairs Minister, Shri Pranab Mukherjee. He has also met I think a wide range of leaders across the political spectrum.

We used the opportunity not only to do the 123 Agreement, but also to talk about regional issues, about global issues that interest us, and about the broader India-US relationship which, as you know, has been transformed over the last few years. Maybe, I will just run you through those discussions and then I would be happy to answer any questions that you might have.

On the 123 Agreement which took up most of the time, we have had, as I said, constructive and productive discussion. There were several issues which were still open when we started this discussion. We have managed to remove some from the table. We still have a few issues left where there is some distance for us to travel. Our goal in this exercise is to produce a bilateral cooperation agreement for civil nuclear energy which reflects fully the July 18, 2005 Joint Statement and the March 2, 2006 Joint Statement between Prime Minister and President Bush, and the statement the Prime Minister has made in Parliament.

We are still in the process of discussing the various issues. So, I do not want to go into the specific issues. In fact, I would not. We have an agreement among ourselves that we will not negotiate through the media, we will negotiate with each other. But I can tell you that as a result of the last three days' discussions, we have come much closer in our understanding of the issues that still divide us and we have managed to remove most of the issues from the table. It is our hope that when we do this agreement, which we both want to do rapidly, we will thereby make a major contribution to our own energy security to producing the energy that

India needs for her own development, in a clean and environment-friendly manner.

While in New Delhi, as I said, Under Secretary Burns called on the Prime Minister earlier today. This was a courtesy call. They reviewed the relationship as a whole, expressed satisfaction at the developments in the relationship, and looked forward to its further development. He called on the External Affairs Minister yesterday where the External Affairs Minister extended an invitation to Secretary of State Rice to visit India. It is possible that she will be coming within the next few months to India. We are working on that. They also covered regional and other issues and the broader relationship between our two countries. He called on the National Security Advisor also yesterday evening where again they covered both the 123 Agreement and the broader relationship.

All told, I think this has been a positive and useful visit. It has taken us some of the way forward towards the Agreement that we want, towards our goal or the 123 Agreement which actually reflects in legal terms the understandings that our leaders have arrived at previously.

Am I satisfied with the visit? Yes, I think we have achieved what we could, what we set out to do in this particular round. We have agreed that we will continue these discussions until we bring the discussions to a successful conclusion.

I would be happy to answer any questions that you might have.

Question: You said that you do not want to negotiate through media. But could you at least tell us the areas where you have reached agreement?

Foreign Secretary: Rather than doing that what I would like to do is to just say that we have made considerable progress towards this goal of an agreement which reflects July 18, 2005 and March 2, 2006 Joint Statements and what Prime Minister said in Parliament. But there are still issues where there is a gap. Maybe now, thanks to these discussions, we both understand each other's positions much better. We know what is possible. We even, in some cases, see a way forward towards resolving. But we need to sit and think about it. We will do a little thinking, they will do their thinking. This is normal. I think this is part of the negotiating process. So, I do not want to get into which issue is at which stage of resolution.

Question: I have pretty much the same question....

Foreign Secretary: I will give you the same answer.

Question: If you could at least tell us in 'yes' or 'no'. We know that the right to reprocess spent fuel has been at the heart of the differences we have had with them. Is that still an issue?

Foreign Secretary: That is one of the issues we discussed.

Question: You said that Mr. Burns met the Prime Minister. Was there any message from President Bush to the Prime Minister? Is any meeting between President and the Indian Prime Minister scheduled?

Foreign Secretary: I think they both will be in the Heiligendamm together on the 8th of June for the Summit. Now I think they are in the process of trying to schedule the meeting. But certainly they will have an opportunity to talk while they are there together.

Question: Did he get any letter or any message from President Bush?

Foreign Secretary: No, he did not.

Question: Have you set any dates or deadlines for finalizing the agreement?

Foreign Secretary: We are optimistic that we will have an agreement. But, as you know, I have never tried to set dates for this, or to set deadlines because I do not think that is the right way to negotiate something that is so complicated where the issues are really interlinked. Therefore, to start saying that we have done one issue and not done the other, actually does not reflect the situation properly. Many of these issues are interlinked. It is a complicated agreement. It is the first time I think we are trying to have such an agreement, both of us. Both, I think, have the will to bring it to a successful conclusion. But I do not think that setting dates or deadlines is really the way to go about.

Question: You said that both sides are trying to give a legal expression to the two Joint Statements. Are the United States and India on same page as far as the whole set of commitments which ...(inaudible)... It is an acknowledged fact that ...(inaudible)... is an integral part of the July ...(inaudible)...

Foreign Secretary: I think that is exactly what we are establishing with this agreement. When we have the agreement we will say, "they are on the same page entirely." I think we are closer and closer to being entirely on the same page. That is what this negotiation process is about. But the

problem here is I think that, as I said, these are interlinked issues. So, it is not possible to say, 'Yes, on this issue we are on the same page, on this issue we are not', because they all affect each other.

Question: Is it difficult to reach the (123) agreement within the legal framework if there is no agreement at the political level?

Foreign Secretary: This is a chicken-and-egg situation. We have a political understanding already. I think it is a question of reducing that to a legal framework. I think that is what we are doing.

Question: You said there was a gap in understanding in some of the issues. Do you want to tell us what that is?

Foreign Secretary: No.

Question: Is there any thought that we could be running out of time? Is there a possible timeframe (that) you are looking at to wrap up the discussions? When could the next round of talks be held?

Foreign Secretary: We both like to do it very quickly, the quicker the better, quite frankly. But, as I said, we are not setting deadlines for ourselves. I do not think we are saying that we will do it by this date or that date. What we have agreed today is that we will meet again, we will discuss this again. We both need a little time to think over what we have done over the last few days. Then we will re-engage whenever it suits both of us.

Question: How many rounds of talks have been completed between the two countries so far?

Foreign Secretary: Formal rounds - four. But this is a subject that we have been discussing in various conversations whenever we met at various levels. Yes, four is the formal number of rounds that we have had. But I do not think it reflects the reality of the nature of the engagement.

Question: Have any dates been finalized for Prime Minister's visit to the US?

Foreign Secretary: I think we have not set dates for the Prime Minister's visit yet. What we are now looking at is a visit in the next few months by the Secretary of State. We still have to agree dates. But I think when the External Affairs Minister extended the invitation yesterday we were looking at dates sometime towards the end of July and beginning of August.

Question: *You don't want to tell the issues on which there is no agreement. Can you tell the issues on which agreement has been reached?*

Foreign Secretary: *If I tell that then you know the other too.*

Question: *What is the distance between agreement and no-agreement?*

Foreign Secretary: *Agreement is on a large number of issues. The differences are very much narrowed down, much less than before. Each time we talk we try to enlarge the area of agreement; and this has increased a lot than before.*

Question: *What is the percentage of agreement and disagreement?*

Foreign Secretary: *We cannot calculate the percentage.*

Question: *According to you how far is Delhi?*

Foreign Secretary: *I am already in Delhi. I was saying that I don't want to go into percentage nor into the distance. When it is done we will tell you that it is done. But the talks will continue.*

Question: Mr. Menon, since we want to know something more than you want to tell us, Mr. Burns is not here and you are not addressing the Joint Press Conference, shall we understand something more out of that? What does it mean?

Foreign Secretary: It only means that Mr. Burns has to catch a flight and he has gone to the airport. That is what it means.

Question: One of the issues you have to resolve is the sequencing arrangement like when we deliver on the IAEA safeguards and other things etc. Is this technical delegation level talks the forum where the problems would be addressed or they will be addressed at some other level?

Foreign Secretary: I think what we are trying to do is to do all these processes simultaneously. Obviously we need a bilateral civil cooperation agreement before we have something that needs to be safeguarded. But we have begun our contacts with the IAEA to discuss an India-specific safeguards agreement and those discussions have gone well, positively. Once we have a bilateral civil cooperation agreement with the US, we would then I think be in a position to actually move further forward on the IAEA safeguards agreement and go to the NSG for the necessary exemption. I think ultimately our goal is to have it all done, and the quicker we can get all three done, the better.

Question: Has any date been agreed for the next round of talks?

Foreign Secretary: No, we have not agreed a date.

Question: Sir, by any chance was the letter written by the Senators raised in the discussions?

Foreign Secretary: No.

Question: *The next talks will be between you and Burns or at some other level? The problems that India has with the Hyde Bill, it is evident if America agrees with the Indian objections, then America will have to go back to the American Congress. If India agrees with America then it is answerable to its own Parliament. What is the middle way?*

Foreign Secretary: Let me be precise. The US Administration has assured us that nothing in the Hyde Act prevents them from implementing their obligations under July 18, 2005 and March 2, 2006 Joint Statements. Our task is to reduce those understandings into a legal agreement. So far we are well on the way to doing so. As I said, we are close to actually doing so. When we finish that task, we will be able to confirm to you whether or not anything in the Hyde Act prevents the US Administration from fulfilling its obligations as we understand them under those two Joint Statements. I think that is the position today. Our job is to reflect those understandings in the agreement. So far we have been assured nothing prevents that. So far we are moving forward steadily.

Question: *What are the issues for which America will have to answer its own Congress and India its own Parliament?*

Foreign Secretary: *When you will see the agreement, every thing will be clear. Thank you very much.*

(The text in italics is translation from the Hindi text)



488. Press Release issued by the Ministry of External Affairs on the visit of US Acting Under Secretary of State for International Security and Non-proliferation John Rood.

New Delhi, June 14, 2007.

A delegation led by Mr. John Rood, US Acting Under Secretary of State for International Security and Non-Proliferation held bilateral talks with an Indian delegation led by Shri K.C. Singh, Additional Secretary (International Organisations) in the Ministry of External Affairs. Discussions covered a wide range of issues, including global nuclear non-proliferation challenges, export controls and regional and global efforts to prevent proliferation. During his visit, Mr. Rood also called on Foreign Secretary, Shri Shivshankar Menon and Special Envoy of Prime Minister, Shri Shyam Saran.



489. Ambassador Ronen Sen's address at the Centre for Strategic and International Studies - Japan Institute of International Affairs Conference: "Building Strategic Asia - The United States, Japan and India".

Washington (D. C), June 28, 2007.

I greatly appreciate the initiative taken by the Center for Strategic & International Studies (CSIS), to hold a conference in collaboration with the Japan Institute of International Affairs (JIJA), on the role of India, Japan and the United States in the strategic architecture of Asia.

India has had historical connections with East Asia and with South-East Asia. A Portuguese observer once described South East Asia as the place where two monsoons meet. Ships from India would ride the south-west monsoon in April to South-East Asia and return to India on the north-east winds in October. These links were buttressed by the trade winds of the China Seas to East Asia. There were also the strong influences of Buddhism and the epics of Ramayana and Mahabharata that linked India with the Asia-Pacific region. These ties were weakened, initially by European colonialism, and later by cold war politics and our retreat into a protected economy.

These old links between India and the Asia-Pacific region are now being revived and revitalized due to a number of reasons. First, India's economic reforms and integration into the global economy have made the restoration of our ties with the Asia-Pacific region an inevitable and natural consequence. Second, at the intellectual level, the Nalanda Initiative involves the reconnection of India with a number of East and South-East Asian countries in areas of historic relations. Third, at the strategic level, India's Look East policy envisages Japan as a key partner in East Asia. Fourth, there are growing economic complementarities and political convergences between India and Japan, and this relationship between the two large Asian countries has a legacy of goodwill, unencumbered by any historical baggage. Finally, and I would like to stress this, we also recognize the United States as a major Pacific power. At a time when India-US relations are rapidly expanding in scope and content, it is only natural that this Pacific facet of the United States should correspondingly be factored into India's Look East policy.

It is in this overall background that the idea of trilateral cooperation between India, the US and Japan has been gaining ground in recent times. I would, however, like to spell out in somewhat greater detail my perception of the rationale for such trilateral cooperation, flowing from which we can perhaps evaluate the future prospects of such cooperation.

India, the United States, and Japan have shared values and aspirations of democracies based on the rule of law. The US and India have taken initiatives to promote democracy, by taking the lead in setting up the UN Democracy Fund. India, Japan and the US cooperate closely in the Community of Democracies and in other forums.

All the three countries also recognize that democracy and development are not just compatible but are inextricably linked. India has demonstrated that, not just in developed but also developing countries, free markets work best and are most sustainable in free societies. India's foreign trade is growing at more than double the rate of its high economic growth, but our growth will be propelled more by our domestic demand than by our exports. Democratic and free market economies also contribute to stability. Both the US and Japan are thus aware that India's inevitable rise as a major world economy will be a factor of stability in Asia and globally.

India-US bilateral merchandise trade is over \$ 32 billion, and India-Japan merchandise trade has doubled from just about \$ 4 billion in 2002 to \$ 8.6 billion in 2006. While Indian exports to the US grew by 16% last year, US

exports to India grew by 26%. Coincidentally, Japanese exports to India grew at an almost identical rate of 26.8% in 2006. A Japan-India CEOs Forum was established on the lines of the India-US CEOs Forum set up in 2005. All three countries realize that the potential for economic cooperation is just beginning to be tapped. Japan is playing an important role in upgrading of India's infrastructure, particularly in urban transport and fast rail cargo corridors between major cities.

In harnessing high technologies for socio-economic development there are significant potential avenues of mutually beneficial cooperation between the USA, the world's greatest center of innovation, Japan; with its centers of excellence in modern technologies, and India, which has a large and growing pool of talented scientific and technical manpower. The successful conclusion of a India-US agreement on civil nuclear energy cooperation would give additional momentum to cooperation in other areas of high technology, including biotechnology, nanotechnology and defence technologies. India has ongoing space collaboration with both the US and Japan, based on research and development in this field by all three countries.

Energy security is another key element of convergence of interests of India, Japan and the US. All three countries are highly dependent on imported hydrocarbons. All three have high stakes in diversifying their energy portfolios with new and clean sources of energy. All three are partners in the ITER fusion project, the FutureGen clean coal initiative, the Asia-Pacific Clean Development Partnership and similar projects. All three countries also have vital stakes in the security of sea lanes in the region.

India, the US and Japan attach the highest priority to preventing the spread of weapons of mass destruction, especially nuclear weapons. The three countries also attach top priority to combating terrorism. India has joint working groups on counter-terrorism with the United States as well as Japan.

One of the visible instances of recent collaboration between India, Japan and the United States was the committing of their defence assets to managing the immediate aftermath of the tsunami disaster in the Indian Ocean for relief and rehabilitation. In June 2005, the Defence Ministers of India and the USA signed a Defence Framework Agreement setting out the common interests of both countries in maintaining security and stability, defeating terrorism, protecting the free flow of commerce and preventing the spread of weapons of mass destruction and associated materials, data and technologies. In May 2006, the Defence Ministers of India and Japan

issued a Joint Statement mapping out the common vision of both countries for enhanced security cooperation. The Navies of India, Japan and the US have held bilateral exercises. In April this year the first trilateral naval exercises between the three countries were conducted south of Japan.

The intersection of the shared interests of the three countries finds its reflection in multilateral institutions. India and Japan have staked their rightful claim to permanent membership of the UN Security Council. India, Japan and the US are all full Dialog Partners of ASEAN and members of the ASEAN Regional Forum. India and Japan also work together in forums like the East Asia Summit and Asia-Europe Meeting (ASEM). Both Japan and the US were Observers at the Summit meeting of South Asian Association of Regional Cooperation (SAARC) in New Delhi in April this year.

During the visits of our Prime Minister, Dr. Manmohan Singh, to the United States in July 2005, and his visit thereafter to Japan in December 2006, extraordinary decisions were taken to raise these relationships to unprecedented levels which underscored the strategic parameters of India's bilateral and global partnership between these two countries.

It is thus evident that the trilateral interaction of India, the United States and Japan did not emerge from a decision to forge a new grouping or alliance. The trilateral cooperation is essentially evolving from the recognition of the growing convergence of ideals and interests of the three democracies and the desirability of channeling these in a constructive and cooperative direction. All the three countries have a tradition of contributing to the international system. Whether it is foreign aid, technical assistance or responding to global challenges, none of the three have pursued a mercantilist approach. This determines in many ways the agenda for a developing trilateral relationship. Issues ranging from countering terrorism, responding to pandemics, protecting the environment, addressing illegal trafficking in drugs, arms and people, promoting stability and prosperity, are thus among the many avenues of enhanced cooperation between India, Japan and the United States.



490. Statement by Official Spokesperson in response to questions regarding reported statement by US Secretary of State.

New Delhi, June 29, 2007.

There can be no question of India's firm and abiding commitment to non-alignment. The Non-Aligned Movement¹ played a significant role in ending apartheid and colonialism. Today, its relevance continues in promoting South- South cooperation and the democratization of the international system. India remains committed to its ideals.



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1. The statement came in response to the observation of the US Secretary of State Ms. Rice who while speaking at the 32nd anniversary celebrations of the US-India Joint Business Council meeting in Washington on June 28 had said "I know there are some who still talk about non-alignment in foreign policy. But may be that made sense during the Cold War when the world was divided into rival camps." The External Affairs Minister speaking in Jalpaiguri (West Bengal) also on June 29 said "We don't believe that the movement has lost its relevance. It has acquired contemporary relevance in fostering cooperation among the developing nations, particularly known as South – South Cooperation." He went on to remind that "India is a founding member of the NAM and believes that the movement has contributed substantially to the struggle against colonialism and apartheid policies in the post-Second World War period. There is no apparent contradiction in expanding cooperation and democracy of the world and the NAM." At the same time, Mr. Mukherjee said India was equally interested in developing and widening cooperation with the U.S.
- On the question of India – US civil nuclear cooperation Ms. Rice described it as one of the "keys" to the bilateral partnership that was "a win-win" for the two nations. She said she was "certain" that the two countries "will be in a position to complete this deal by the end of the year." "This is a huge step forward. We're not quite there yet. But with will and determination and more hard work to do, I am certain that we will reach final agreement and be in a position to complete this deal by the end of the year" the Secretary of State said, adding "I think that this is a win-win if ever there were one." "It was only a matter of time before two leaders who were visionary enough realized that they had to break this particular logjam so that the US-India relationship can flourish," Secretary Rice said, adding "and I myself am dedicated to getting it done and we need to get it done by the end of the year....It is possible and when we have done this, we will open even more doors in business and science, in agriculture and development, for energy and the environment, and of course, perhaps most importantly, to help strengthen and safeguard international security".

491. Press Release of the Ministry of External Affairs on the telephone conversation between Prime Minister and President George W. Bush.

New Delhi, August 14, 2008

United States President George W. Bush today called the Prime Minister to convey the greetings of the Government and people of the United States on the 60th Anniversary of India's Independence.

2. President Bush also conveyed his Administration's sympathies on the recent floods in India.
3. While thanking the US President, Prime Minister said that India was well on the way to fulfilling the dreams and aspirations of its founding fathers, and of its people.
4. The two leaders also took the opportunity to review the status of Indo-US relations in several areas, including in the area of civil nuclear energy cooperation. They expressed their satisfaction at the mutually beneficial and cordial nature of relations currently existing between the two countries.



492. Meeting of External Affairs Minister Pranab Mukherjee with the U. S. Secretary of State Condoleezza Rice.

New York, September 26, 2007.

External Affairs Minister Pranab Mukherjee met U.S. Secretary of State Condoleezza Rice here on September 26 to review bilateral issues. Meeting on the sidelines of the United Nations General Assembly session, the two discussed "a gamut of items of cooperation" and international issues of concern.

After the parleys between the two sides which stretched for 45 minutes, Mr. Mukherjee said it was a "good meeting." Ms. Rice and Mr. Mukherjee expressed satisfaction at the growing bilateral relations and cooperation in various fields. "The two leaders reviewed bilateral relations across the gamut of items of cooperation. They also considered the international situation and exchanged views on issues of concern."



493. Remarks by External Affairs Minister Pranab Mukherjee at Council on Foreign Relations, New York, on "India's Foreign Policy and Future India-US Relations".

New York, October 1, 2007.

Ambassador Carla Hills, Dr. Richard Haas, Ladies and Gentlemen,

Thank you for inviting me to the Council on Foreign Relations. I thought I might share some thoughts with you on India's foreign policy and the future of India-US relations. Yogi Berra is sometimes credited with having said that it is difficult to make predictions, especially about the future! I am, nevertheless, sufficiently confident that, extrapolating current trends and developments, the future of India-US relations is strong and the graph is on the ascendant.

India's approach to the world is naturally a function of our values, our history and geography, and of how we define our interests. Our strategic perspectives in the last sixty years have been a product of the historical aberration that was the early twentieth century. Throughout history, India had been a society that was open, pluralistic and intensely engaged with the rest of the world. Yet, in 1947, independent India found herself restricted by the Cold War world and reduced by colonialism to poverty, disease and famine. In the beginning of the 18th century, India accounted for about a quarter of the world's wealth, roughly equal to that of all of Europe combined. By independence, our share in global output had plummeted to less than 4%. It is thus not surprising that our primary objective, since independence, has been to improve our people's lives by regaining our position as a major global economy within a pluralist, secular, socially equitable and democratic framework. In making this effort, India has also decisively demonstrated that democracy and development are not only compatible but also necessary for ensuring sustainability.

The primary task of Indian foreign policy since 1947 has naturally been to enable the transformation of India's society and economy, restoring traditional patterns of dealing with the world, and building strategic autonomy of choice.

Judging by the results, our foreign policy choices have served the nation well. For more than two decades, India has recorded average annual GDP growth of around 6%. In the last four years, this has risen to over 8%, with the result that India is now the fourth largest economy in the world in

purchasing power parity terms. Historically unprecedented transformations and improvements in the people's living standards have taken place in India in the last few decades. Yet, much remains to be done. If we are to abolish mass poverty in India, we need to grow at 8 to 10% every year until 2020. Our record suggests that the goal is achievable, given considerable effort and the right policy responses, as well as a supportive and peaceful international environment.

Among the reasons that give us this confidence in India's future efforts to develop, one of the major factors must be the democratic nature of our polity. Democracies by their very nature are predictable. This may seem paradoxical, given the fact that democracies tend to be fractious and full of competing political agenda and ideologies. However, because democracies are based on a popular mandate and governments are answerable to the people, there is an underlying continuity in the policies of elected governments.

The predictability of India's foreign policy can also be ascribed to the fact that it is based on principles and a broad national consensus. Our world-view, reflecting the vision of leaders like Mahatma Gandhi, Jawaharlal Nehru, Indira Gandhi and Rajiv Gandhi, also bears the indelible influence of our civilizational heritage and our historical experience. As a secular polity, India shares the values of fundamental human rights and freedoms with other liberal democracies. Thus, quite apart from its size, population, economy and politics, India's civilizational values make it a natural bulwark against fundamentalism and terrorism and a factor of peace and stability in Asia.

Other reasons for confidence in India's future are our demographic trends and human resource base, which are two of our strongest assets. Some 550 million Indians out of our billion plus population are below the age of 25. The middle class of over 300 million people is growing steadily. Our universities produce over 2 million undergraduates each year. India's comparative advantage in knowledge driven economic activities is a direct result of our demographics and education policies. We seek today to replicate the successes of the IT industry in the fields of biotechnology, pharmaceuticals and other knowledge intensive areas.

Ladies and Gentlemen,

In the evolving geo-political and economic situation in the world, India needs a stable, peaceful, democratic and prosperous periphery for its own and

the region's future. If India is to grow rapidly and transform herself, we need a supportive and peaceful regional environment. This is why the present situation in Myanmar concerns us deeply. We urge a broad-based and inclusive process of national reconciliation and peaceful reform to lead Myanmar's political evolution. Bloodshed in this situation is unacceptable. India will work with like-minded countries to make a peaceful outcome possible in Myanmar.

Indeed, in its neighbourhood, India today sees difficult transitions to democracy all around: in Pakistan, Afghanistan, Nepal and Bangladesh. We have strongly supported the positive movement towards democracy and development in Afghanistan and Nepal in the last four years. Over 3500 Indians are in Afghanistan, engaged in that country's peaceful reconstruction. In each of these neighbors, it is for the people themselves to make their choices about the nature and direction of their own governments. India's interest is in a stable and peaceful periphery, and we will continue to work with our neighbors to achieve this goal.

One of our primary strategic challenges is to restore traditional linkages within our region and between the region and the rest of the world. Connectivity would enable India's reintegration into the immediate and extended neighborhood, whether in Central Asia or South East Asia or West Asia. This has led us to pursue actively cooperative arrangements such as SAARC, BIMSTEC and our dialogue with ASEAN. The web of preferential and asymmetrical trading arrangements that India has built up or is working on with her neighbors is designed to further a vision of common and indivisible prosperity. This is also what is behind India's consistent initiatives to improve relations with Pakistan, which have borne some fruit in the last three years, but which need to be pursued to their logical conclusion through dialogue in an atmosphere free of violence.

Further afield, India's political and economic ties with the Asia-Pacific region are also growing through institutional mechanisms such as the East Asia Summit. We are also pursuing high-level dialogue with major powers through the India, China and Russia trilateral forum and the India-Brazil-South Africa group, and also developing closer linkages with major powers like the United States, Japan, the European Union and Russia.

In today's world, as interdependence among the major powers grows, each of us is engaging the other. Today, India enjoys strategic partnerships of one kind or another with as many as eleven countries and the EU. Our strategic partnership with the US has strengthened our relationship

bilaterally, in the region and in the world. It is also clear that the development of closer relations between India and any one strategic partner will not be at the expense of relations with any third country.

Ladies and Gentlemen,

The Indian Ocean littoral today has greater economic and strategic value to the world economy than ever before. India has a natural and abiding stake in the safety and security of the sea-lanes of communication from the Malacca Straits to the Gulf. We have endeavoured to promote greater cooperation between Indian Ocean littoral states. Existing or emerging threats of piracy, drug trafficking, proliferation of weapons of mass destruction, closure of choke points, environmental hazards, regional conflicts and other developments are of equally vital concern to us.

As we look around the world, the defining characteristics of the Cold War era, namely, conflicting ideologies and opposing military blocs, are being transformed by the imperatives of globalization, interdependence and connectivity. When I look at the issues of the future, namely, energy security, the environment, food security, and the possible spread of WMD, it is clear to me that each issue will require all states, and particularly countries like India and the USA, to work together. The new challenges that are emerging, including protecting the electronically connected and inter-dependent world from terror and organized crime, are immensely complex. Handling this complexity requires much closer international cooperation than has been the case till now. It is also naive to expect the international system to deal with such complex and significant issues without democratizing international decision-making. Globalization and integration require that the UN and its Security Council be changed dramatically to reflect present day realities.

On a number of these emerging issues, such as disaster relief, HIV/AIDS and other pandemics, new initiatives have been taken for closer India-US collaboration. A telling example of the possible cooperation in these areas is the seamless coordination by our two countries to assist our neighboring states affected by the tsunami disaster of 2004.

If India is to realize its economic potential, it will also need alternative sources of clean energy. Foremost among them is nuclear energy. The bilateral civil nuclear cooperation agreement that India and the USA have finalized indicates the way forward, which should lead to the lifting of technology restrictions and the opening up of cooperation in this field with several countries.

Ladies and Gentlemen,

The future trajectory of India-US ties should be clear from what I have described as India's foreign policy preoccupations and priorities. Today, India and the USA have an objective convergence in several areas: in values and interests, in areas ranging from economic development to the dangers of proliferation of WMD, and in terrorism. There is much that India and the USA need to do individually and together. Each of us brings to the relationship complementary skills and attributes. We are aware of the challenges that continue to confront our own country. But these challenges also translate into opportunities. In infrastructure or energy, telecommunications or manufacturing, they create opportunities for economic partnership between India and the United States.

I anticipate that there will be underlying predictability and transparency in India US bilateral ties, because this relationship answers to the aspirations and interests of the people of both countries. The links between our two countries are multi-layered. The large and vibrant Indian-American community constitutes a vitally important bridge closely connecting many millions of citizens of both our countries. Parallels of such significant and broad-based popular stake holding in bilateral relations are rare.

Ladies and Gentlemen,

Another important aspect of our relationship with the United States is that it is of mutual benefit. India's rapid economic growth is propelled not primarily by exports, but much more by growing domestic consumer demand and increasing investments. Our growth will thus not be at the cost of other countries. It will, in fact, be a major stabilizing force in the global economy. This is reflected in recent trends in India-US trade, where US exports to India are growing much faster than US imports from India. Investments are now also flowing in both directions. In terms of the global economy, India and the United States have shared concerns on critical issues, such as energy security. Both our countries are, for instance, interested in the stabilization of oil and gas prices at reasonable levels and in reduced dependence on fossil fuels.

In advanced areas like nuclear energy and space exploration, a sound indigenous base has been built that enables India not only to absorb high technology but also to collaborate with the United States in new fields. We remember US contributions in building centers of excellence in India in science and technology and agricultural research. This collaboration led,

amongst other things, to the Green Revolution and self-sufficiency in food. India believes that advanced technologies must be used and managed with care and a sense of responsibility. Our systems of protecting advanced technology show an increasingly apparent convergence.

Ladies and Gentlemen,

I have touched briefly on some of our foreign policy concerns and priorities and on trends in India-US ties. In sum, our relationship has never been better than it is today. I am confident about its future.

Thank you.



494. Response of Official Spokesperson to a question on telephone conversation between External Affairs Minister Pranab Mukherjee and United States Secretary of State Condoleeza Rice.

New Delhi, October 30, 2007.

External Affairs Minister Pranab Mukherjee had a telephone conversation with US Secretary of State Condoleeza Rice in the late evening of 29th October, 2007. The conversation covered issues of mutual interest including the India-US Agreement for Cooperation on Civil Nuclear Energy and regional issues.



495. Question in the Lok Sabha: “Logistic support agreement with USA”.

New Delhi, November 21, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Government proposes to enter in to a Logistic Support agreement with USA;
- (b) if so, the main features of the Agreement; and
- (c) the extent to which this Agreement is likely to affect India’s foreign policy?

The Minister of External Affairs (Shri Pranab Mukherjee):

- (a) & (b) Government are in the process of considering a Logistics Support Agreement with the USA as a facilitating framework for mutual logistical support when deploying defence resources in disaster relief operations or joint exercises and without commitment for assistance in situations of armed conflict.
- (c) The Agreement will not affect the independence of India’s foreign policy. The logistical support that will be provided in disaster relief operations abroad will enhance India’s ability to assist affected countries efficiently.



496. Joint Press Statement after the meeting of the India-US Joint Working Group on Counter-terrorism.**Washington (D. C), November 29, 2007.**

The India-US joint working group on counterterrorism met today to discuss bilateral cooperation in fighting the global menace of terrorism. The Indian delegation led by Ambassador K.C. Singh, Additional Secretary for International Organizations at the Ministry of External Affairs of India met over a full day with the US delegation, led by the Coordinator for Counterterrorism, Ambassador Dell Dailey, who hosted the delegation.

2. Both sides strongly condemned terrorism in all its forms and manifestations and underscored it as a major threat to democracy, pluralism, international peace and security. They reiterated that there can be no justification for any act of terrorism on any grounds. It is imperative for the international community to come together to combat terrorism in a long term, sustained and comprehensive manner.
3. India and the US called upon all states to abide by their commitments under the UN Global Counter Terrorism Strategy adopted by the UN General Assembly in September 2006 and called for finalization of the draft UN Comprehensive Convention on International Terrorism expeditiously.
4. They discussed, inter alia, regional counterterrorism efforts, threat assessments in South Asia, Middle East and South East Asia, bioterrorism, on-going Anti-terrorism Assistance Training Program and co-operation in the field of forensic epidemiology. Other issues discussed include terrorist finance and money laundering, ideological dimensions of terrorism, information sharing and widened cooperation for preventing terrorist acts. Both sides agreed to identify measures to strengthen institutional linkages leading to closer interaction and cooperation.
5. The next meeting of the counter-terrorism joint working group will take place in New Delhi in 2008 on a mutually convenient date.



(ii) CENTRAL AND SOUTH AMERICA

BRAZIL

497. Briefing by Official Spokesperson on engagements of the Brazilian Foreign Minister in New Delhi.

New Delhi, April 13, 2007.

Official Spokesperson :The Foreign Minister of Brazil is in town. Yesterday, he called on External Affairs Minister, Shri Pranab Mukherjee who came to office and met him for half an hour. We had issued some briefing points thereafter but most of them seem to have either missed the deadline or some other problems happened. But, I will reiterate to you the sense of the meeting yesterday. They covered bilateral issues, particularly in the context of the forthcoming visit of President Lula of Brazil which is expected in June this year. They also reviewed cooperation in multilateral fora where Brazil and India traditionally have had close cooperation across the spectrum of multilateral issues. In particular, they covered cooperation in the IBSA context as well as members of the G-4 in the context of UN Security Council reforms, including expansion of the Security Council. They covered WTO issues and there were G-8 and Outreach issues discussed - Brazil and India both being Outreach countries. EAM also took the opportunity yesterday to brief the Brazilian Foreign Minister on the recent SAARC Summit held in Delhi. Mr. Amorim also invited the External Affairs Minister to visit Brazil and this visit is expected to take place later this year.

The Joint Commission meeting which was held- this was the third India-Brazil Joint Commission meeting - covered a very wide range of issues. You can pick up copies of the Joint Communiqué. But once again, both bilateral and multilateral issues, G-4 initiative, IBSA dialogue, G-8 and Outreach - these were the multilateral issues that were covered. Cooperation in bio-fuels was covered bilaterally as well as trade issues, you know with the target being \$10 million. The visit has also seen a call by Mr. Amorim on the Prime Minister this morning as well as a meeting with the National Security Advisor on the 12th of April with which the Strategic Dialogue between the two countries has been launched. Minister of State Shri Anand Sharma also hosted a lunch in the Brazilian Foreign Minister's honour and you may also have seen a copy of the Joint Press interaction they had this morning. That is more or less all from my side.



498. Joint Press Interaction of Minister of State Anand Sharma with Brazilian Foreign Minister Celso Amorim.

New Delhi, April 13, 2007.

Minister of State for External Affairs : Friends, the visit of Mr. Celso Amorim, the Foreign Minister of Brazil and members of his delegation, which includes senior officials of the Government of Brazil, representatives of various Ministries and also representatives of the business, especially some distinguished leaders in the corporate sector, has been very fruitful.

During his stay here, Minister Celso Amorim has discussed the bilateral relationship between our two countries which is clearly now a strategic partnership between the two countries. He has met with the Prime Minister this morning and had detailed discussions on identified areas of shared interest and also cooperation between the two countries which is, as I mentioned earlier, fast expanding.

Minister Celso Amorim also had a meeting with the External Affairs Minister Shri Pranab Mukherjee yesterday who is recovering from his recent accident. He has also met with the National Security Advisor. This is the first strategic dialogue between the two countries as was agreed during the historic visit of Prime Minister Dr. Manmohan Singh to Brazil last September on the eve of the first IBSA Summit.

During his stay, Minister Amorim will also share that with you, he also had meetings with our Commerce and Industry Minister Shri Kamal Nath, and a meeting which was dedicated to the Doha Development Round and the issues related to that in which the representatives of EU, USA and Japan were also present. That has also taken place during his stay here.

The discussions which we have had today have recorded the areas of cooperation, the progress which we have made. If I may just briefly mention one or two things, cooperation in the field of energy, agriculture, health care which includes pharmaceuticals, information technology, education including educational linkages of institutes of excellence, tourism, culture, has been discussed. We are keen to pursue our efforts to take the bilateral trade to ten billion dollars by 2010. We have also discussed the issue of connectivity, maritime as well as air linkages. We are now looking forward, after the visit of Minister Amorim, to have follow-up actions on what we have discussed in some of the iden-

tified areas and prepare for recording not only the progress but formal agreements in some fields during President Lula's visit.

Brazilian Foreign Minister : Thank you very much. My good friend Anand Sharma... (Inaudible)... several times now....(inaudible)....close partners and friends. I would just like first of all to say how happy I am to be in India once again. More important than that I would mention that President Lula ..(inaudible)...for Prime Minister Singh last year. Now again President Lula is coming to India which is very significant. The two leaders meet so often apart from the meetings in the United Nations or in the context of G-8 Plus 5 and many other contexts. So, I would like to underline that when we speak of a strategic partnership, these are not just empty words or that is not a formality. We have really developed a very intense dialogue in matters that are of great interest for Brazil and India but I would say for the world, like reform of the United Nations, especially, the reform of the Security Council. We have very important partnership also in relation to the WTO.

We are both members of the G-20 and we are starting now a very important on dialogue on strategic matters, as was mentioned by Mr. Sharma. Apart from that I think Brazil and India, together with South Africa, form the very important and very original forum which is the IBSA - India, Brazil, South Africa - which is a forum of three great democracies one in each part of the developing world. So, I think in all these aspects, I could go on and on mentioning others, breaks and so on and so forth. But from whatever angle you look at it - economic, trade or political - our countries are having an intensive dialogue.

I would also like to say that although our countries have for a long time looked at each other with admiration and interest it is only now that we are really giving concrete substance to that relationship. I think the sectors that were mentioned here by Minister Anand Sharma speak for themselves. We deal with questions that have to do with infrastructure, with space technology, with agriculture, but also with the film industry, culture and sports. I think it is a broad partnership. As I said, it would be impossible to summarise. I think the minutes will be distributed to the press so they will know precisely the different areas. But all these different activities are a part of a broader effort to bring our countries closer together. I think this bringing our countries closer together expressed in this symbolic target, symbolic but very real, of ten billion dollars bilateral trade by 2010 will be good for India, good for Brazil, and I would hope to say also good for mankind. So, I would like

once more to thank, of course, very specially the Prime Minister Manmohan Singh but also my colleagues Mukherjee, Kamal Nath and Anand Sharma for the reception I have myself and all my delegation received during this very busy but also very productive visit to India. Thank you.

Question : The question is addressed to both the Ministers. The G-4 Initiative appears to have lost its initial momentum and drive. To a lot of people it appears to be going nowhere. What are India and Brazil doing to reinvigorate the G-4? Is there a concrete action plan in place?

Brazilian Foreign Minister : First of all, I do not agree with your evaluation. I do not think it lost momentum. These are not easy things. If you think of a country and if you think of a Constitutional reform, you know how difficult it is to prepare and to undertake a Constitutional reform. If you are thinking of a situation in which the Constitutional reform which is still subject to the veto of some actors, it becomes all the more difficult. But what I was going to say is really I see the process in itself advancing. I see the process in New York coming nearer to a negotiating phase which it was not before. I have been there myself as Ambassador in New York. For a long time this subject, important as it was, was mainly devoted to speeches. Now really we are getting nearer to a negotiating phase and this is illustrated by the fact that the President of the General Assembly ... (inaudible) ... of facilitators for different aspects of the Security Council reforms. We are in permanent consultation. Next week, there will be a meeting in Brazil of senior officials of the G-4 - India, Brazil, Germany and Japan. Of course, always having also Africa in mind, we are very mindful of the importance of having African representative in a reformed Security Council permanently.

So, I do not agree with you. It is not an easy subject. You are changing the power structure in the world. So, you cannot do that in one day. But I think it was the creation of the G-4 and the attitudes taken by the G-4 that injected, not the only factor but it was probably one of the main factors, that injected a new impetus to the process. I am very confident that it will come to fruition in an adequate manner.

Minister of State for External Affairs : I fully endorse what Minister Celso Amorim has said. Brazil and India have been steadfast and firmly committed to the G-4 Initiative to bring about reforms in the United Nations including the expansion of the Security Council. We are in complete agreement on the steps which are required to be taken to ensure that the Security Council gets a representative character which reflects the contemporary

realities of the 21st century world with the participation of India and Brazil in the expanded Security Council and also the G-4 Initiative as you know that there are four countries, Japan and Germany. Africa, as Minister Celso Amorim has said, we have been engaging Africa together. We have had meetings on the margins of the UN General Assembly even last year. We had met together after we were directed to do so by our Heads of Governments when they met for the first IBSA Summit and later Minister Celso Amorim and Minister Nkosazana Zuma of South Africa and myself, we had met. We also met with Foreign Ministers of many countries. We do hope that the Africa Union which is seized of this issue will be able to come to some consensus. But we remain committed to take this process to its logical conclusion. As Minister Celso Amorim has said that, yes it is a complex issue. It is not only an expression of wish but we have to ensure that we give it the required strength which we are confident of doing. You cannot put a time cap as to by when we succeed. But we will succeed surely.

Question : You spoke about the cooperation in the energy sector. I just want to know what the progress on bio-fuels is. You have decided to set up an international market in bio-fuels, ethanol. I just want to know what is the progress on that.

Brazilian Foreign Minister : We agreed to create a group that will work on that. There has been already cooperation between Petrobras, the Brazilian oil and energy company, and an Indian entity OVL on that field. Certainly it will be a subject for President Lula's discussions with Prime Minister Singh. We have also created together a world forum on bio-fuels which is progressing, which is starting work on very important aspects such as standardization, adoption of rules which are of essence, if you think, in creating a world market for ethanol and other bio-fuels. I would like to just say that there is also cooperation between Embrapa, our agricultural State research company and its counterpart in India also to look at the production side. So, there is strong cooperation going on in this area of energy. It is not the only cooperation I would say in energy. We are also looking at other facts including nuclear energy for peaceful purposes. We will be seeing what are the positive and pragmatic steps that we can give in that direction.

Question : This question is addressed to Mr. Amorim. As you know, India is seeking cooperation, it wants changes in the energy guidelines for seeking international community's cooperation in civilian nuclear field. What will be Brazil's position on that? Will you be supporting?

Brazilian Foreign Minister : We are open-minded in this. As I said, in the

cooperation I think we are envisaging sending a mission of our National Nuclear Energy Commission to Delhi. I think there are good prospects for cooperation, of course, within the established safeguards agreement that we have. Brazil was very mindful of that and I am sure India will also have the same view. In this area I think the fact that we have an agreement on science and technology provides for an appropriate umbrella to start concrete actions. Probably in the beginning questions like radio isotopes for agricultural purposes, conservation of food and also for health but we both have big reserves of thorium. There are even questions that relate to how you deal with the low radiation of thorium for the populations that live there. There are many other aspects which are more on the scientific field but clearly related. As you know, Brazil has its own Constitution that we do not want to have any use of nuclear weapons for military purposes. So, it will be very restricted and under very clear safeguard provisions.



499. Joint Communiqué issued on the occasion of the visit of the Brazilian Minister of External Relations Celso Amorim.

New Delhi, April 13, 2007.

The Minister of External Relations of the Federative Republic of Brazil, H.E. Mr. Celso Amorim, accompanied by a large high-level delegation made an official visit to New Delhi on 10-13 April, 2007 at the invitation of Shri Pranab Mukherjee, External Affairs Minister of India.

During the visit, Minister Celso Amorim was received by Prime Minister Dr. Manmohan Singh, to whom he handed over a personal message of the President of Brazil, Luiz Inacio Lula da Silva, on his forthcoming Presidential visit to India. Minister Celso Amorim also met Minister of State for External Affairs, Shri Anand Sharma, Minister of Commerce and Industry, Shri Kamal Nath and the National Security Advisor, Shri M.K. Narayanan.

Ministers Celso Amorim and Pranab Mukherjee co-chaired the Third Meeting of India-Brazil Joint Commission.

In the Joint Commission Meeting, the two sides examined the wide spectrum of topics of bilateral cooperation and acknowledged the outstanding level of understanding between the two countries.

They recognised the over-arching potentiality of Indian-Brazilian relations covering areas such as commerce and services; scientific, technologic and cultural cooperation; technical standards; phyto-sanitary protection; and human settlements and expressed the desire of both Governments to further strengthen and deepen the bonds of friendship between them.

Both sides emphasized the importance of a close coordination between the two countries in international trade negotiations, in particular at the World Trade Organization (WTO). They recognized the urgent need to successfully complete the Doha Round to strengthen the multilateral trading system that is responsive to the developmental aspirations of developing countries. The Ministers reiterated the commitment of the Brazilian and the Indian Governments to continue working together in the G-20.

The Ministers reaffirmed their commitment to the ongoing G-4 initiatives to closely coordinate efforts towards realizing the necessary expansion of the Security Council in both the permanent and non-permanent categories, including developing countries as new permanent members.

They reaffirmed the IBSA Dialogue Forum as an important mechanism for political consultations and coordination as well as for strengthening cooperation in sectoral areas and to improve economic relations among India, Brazil and South Africa. In this regard, the two Ministers look forward to the Fourth Meeting of the Trilateral Ministerial Commission to be held in New Delhi as well as to the Second IBSA Summit to be held in South Africa.

They welcomed the substantial increase of bilateral trade in recent years and agreed to endeavour to take it to a level of 10 billion dollars by 2010. In this context, they emphasized the importance of creating effective mechanisms to diversify exports both ways and to promote mutual investments, as well as to increase the exchange of trade delegations. They agreed to encourage the expansion and deepening of the Preferential Trade Agreement between Mercosur and India by including new products of interest of both sides, to further widen the scope of the Agreement. They reaffirmed their willingness to participate in discussions leading to a trilateral negotiating process involving Mercosur, India and SACU.

The two Ministers expressed their satisfaction with the close cooperation between the delegations of both countries at the working level discussions of the Outreach Countries of the G-8 on intellectual property, cross-border investment, energy, climate change and development in Africa that took place in New Delhi, on April 11, 2007.

Both sides welcomed the recent launch of the Bio-fuels Forum. Minister Celso Amorim renewed the commitment of his Government to intensify the exchange of information with India on the Brazilian Bio-fuel Program. Both Ministers expressed their interest to further bilateral cooperation under the Work Program created by the Memorandum of Understanding on Technological Cooperation in the Area of Mixing Ethanol with Gasoline, signed in 2002. They attached importance to the launching of the International Forum on Bio-fuels, in New York, in March 2007. In this regard, the Ministers pledged that Brazil and India shall work together to set up an international market for ethanol fuel, so as to decrease international dependence on fossil fuels and to favor the use of clean energies.

They welcomed the agreement between Petrobras and Indian companies to explore, produce and trade oil, gas and derivatives in Brazil, India and third countries. They noted the investment in an off-shore oilfield in Campos Basin by ONGC Videsh Ltd (OVL) and welcomed further proposal.

The two sides expressed satisfaction with the ongoing agricultural cooperation in areas such as research and development, phyto-sanitary measures, plant health and animal health and agreed to expand them further.

The two sides also reiterated interest in strengthening scientific and technological cooperation and joint research programmes with India in the fields of biotechnology, information technology, pharmaceuticals, HIV/AIDS and tropical diseases, with emphasis on the elimination of tuberculosis and malaria epidemics.

Noting the potential for mutually beneficial co-operation in space research the two sides agreed to exchange visits and identify concrete areas of co-operation.

The Ministers noted with satisfaction the positive developments achieved by the Indo-Brazil Science Council and the perspectives to further enhance bilateral cooperation under the S&T Agreement signed in September, 2006. They expressed support for the creation of a Joint Industrial Research Programme in selected areas of mutual interest.

The Brazilian side expressed its interest in deepening the dialogue with Indian counterparts on policy issues related to information society and invited the Indian Government to attend the II Internet Governance Forum to be held in Rio de Janeiro, from 12-15 November, 2007.

Recognizing the importance of educational cooperation to strengthen the

bonds between Brazil and India at the present stage of the relations between the two nations, the Ministers stressed the importance to the Bilateral Exchange Programme of Cooperation in the Area of Education, signed in February, 2006. Furthermore, they stressed their common interest in strengthening cooperation between Indian and Brazilian higher education institutions, and reaffirmed the priority given to the areas of post-graduate studies, research, professional education and in the field of information and communication technologies applied to education.

They gave emphasis to the ongoing cultural initiatives as a means of promoting mutual knowledge and understanding between their peoples, and in this regard they stressed the importance of an adequate implementation of the projected Cultural Weeks in both countries. They reaffirmed the commitment of their Governments to continue cooperation in the areas established in the Programme of Cultural Exchange for the period of 2006-07. They agreed on the importance of the Memorandum of Understanding for Cinematographic Co-Production to further bilateral projects in the areas of movie production. They encouraged the exchange of professors and university students between Brazil and India.

The Ministers welcomed the decision to establish the Joint Defence Committee and to nominate Military Attaches to the diplomatic missions in both countries, in order to establish a direct channel of dialogue between Brazilian and Indian military authorities, and strengthen the Indo-Brazilian strategic dialogue.

Minister Celso Amorim invited Minister Pranab Mukherjee to visit Brazil at his earliest convenience. Minister Pranab Mukherjee accepted the invitation. Dates will be settled through diplomatic channels.

Recalling the decision taken by the President of Brazil and the Prime Minister of India in September, 2006 to upgrade the relations to a "Strategic Partnership" the two sides welcomed the commencement of the strategic dialogue which took place between Foreign Minister Celso Amorim and National Security Advisor, Shri M.K. Narayanan, on 12 April, 2007.

Both sides also utilized the opportunity provided by Foreign Minister Amorim's visit to discuss issues relating to bilateral trade as well as efforts underway to successfully conclude the Doha Round of Multilateral Trade Negotiations.

Both sides welcomed the comprehensive meetings that took place during

Foreign Minister Amorim's visit, as preparatory to the forthcoming State Visit of the President of Brazil to India.

The Minister of External Relations of Brazil expressed sincere thanks to the Government of the Republic of India for the friendly and warm reception that was extended to him and to all members of his delegation on the occasion of his visit.



500. Red Fort Declaration 2007 - issued during the visit of the Brazilian President Luiz Inacio Lula da Silva.

New Delhi, June 4, 2007.

His Excellency Luiz Inácio Lula da Silva, President of the Federative Republic of Brazil paid a state visit to India from 3-5 June, 2007 at the invitation of His Excellency the President of India Dr. A.P.J. Abdul Kalam¹. President Lula was accompanied by a high level delegation including a large official and business delegation. President Lula held intensive discussions with President Kalam and Prime Minister Manmohan Singh. External Affairs Minister, the Leader of the Opposition and the Chairperson UPA called on him.

2. The visit by the President of Brazil, within a span of eight months of the visit by Prime Minister Manmohan Singh to Brazil in September last year, is a reflection of the mutual commitment to develop and diversify bilateral relations in a comprehensive manner. It is also a

1. Announcing the visit of the Brazilian President a Press Release of the Ministry of External Affairs issued on June 1 recalled that President Lula had visited India in January, 2004 as the Chief Guest for the Republic Day celebrations. It said following Prime Minister Dr. Manmohan Singh's visit to Brazil in September, 2006, the bilateral relations were upgraded to a 'strategic partnership'. As part of this, a strategic dialogue was held in India on 12 April, 2007 between the National Security Adviser and the Minister of External Relations of Brazil, Mr. Celso Amorim. The Press Release further said that the third meeting of the Indo-Brazilian Joint Commission, held in New Delhi and co-chaired by External Affairs Minister and the Brazilian Foreign Minister, has covered cooperation in a number of areas such as agriculture, science & technology, trade and investment, energy, education, defence, space, nuclear energy, health, culture and sports. It was further announced that a Festival of Brazil will be organised in India in January-March, 2008 and a Festival of India will be held in Brazil in July-September, 2008. The Release said: "The trade between the two countries has been increasing significantly in recent years. In 2006, India's exports to Brazil were 1470 million dollars and imports 937 million dollars. A number of Indian companies have made investments and joint ventures in Brazil in areas such as pharmaceuticals, IT and energy. The Brazilian companies have also started

reflection of the strength of the growing strategic partnership between the two countries.

3. Both sides reviewed the state of bilateral relations and expressed satisfaction at the pace at which mutually beneficial cooperation was developing. In particular, they welcomed the 3rd meeting of the India-Brazil Joint Commission held in April 2007, co-chaired by the Minister of External Relations of Brazil and the External Affairs Minister of India. The Joint Commission developed a work plan for the cross sectoral intensification of bilateral relations.
4. Prime Minister Manmohan Singh and President Lula expressed particular satisfaction at the launching of the first meeting of the India-Brazil Strategic Dialogue that was co-chaired by Shri M.K. Narayanan, National Security Advisor of India and Foreign Minister Celso Amorim of Brazil. That dialogue enabled both sides to review the state of cooperation and chart out a course for the future, inter alia, in the areas of space, nuclear energy for peaceful use, defence and the fight against terrorism.
5. The leaders of both countries underlined the importance of providing the strategic partnership with a solid economic underpinning. In that context they expressed satisfaction at the launching of the CEO Forum which is composed of senior representatives of industry on both sides and the trade target of US\$10 billion by 2010. They stressed in the latter context the importance of simultaneously developing greater connectivity between the two countries and investment in each other's economies especially in the infrastructure sector.

targeting India for investment and business in areas such as infrastructure, food processing and energy."

On way to New Delhi, the Brazilian President speaking to a group of Indian journalists in London said he was "confident" of clinching a number of important agreements aimed at boosting trade and putting the Indo-Brazilian "strategic partnership" on a firmer footing. "We will leave India with some good agreements," he said, identifying pharmaceuticals, IT, energy, agriculture, food security and infrastructure as among the areas where there was enormous potential to work together. "Political relations between our two countries have become much stronger since my last visit. Prime Minister Singh has more confidence in me and I've more confidence in him," the President said. He also highlighted both nations campaign for reforms to the United Nations Security Council to reflect the new political world order. He said Brazil fully backed India's claim to a permanent seat on an expanded U.N. Security Council. In return, he expected New Delhi to support Brazil's own bid to join the "club." He criticized the big powers for dragging their feet on restructuring the Security Council. On reaching an agreement on the ongoing global trade talks, he said he was confident that a pact could be reached as early as "this month."

6. Both sides agreed to launch joint campaigns in the years ahead for the development of bilateral trade and economic relations. They stressed that development of their economic partnership requires, inter alia, the early implementation of decisions taken at the 3rd Joint Commission Meeting. Within the parameters of their national laws, rules and regulations, both sides will facilitate participation in each other's economies by their entrepreneurs, businessmen, service professionals, scientists and technologists.
7. The leaders of the two countries emphasized the need for the early holding of the first meeting of the India-Brazil Defence Committee and early development of a programme of cooperation in the peaceful use of nuclear energy consistent with their international obligations.
8. Both sides expressed satisfaction at the development of cooperation in the area of science & technology and look forward to the early adoption of the programme of cooperation for 2007-2010. They also welcomed the decision to cooperate in space sector applications that would help the developmental efforts of both countries.
9. The development of people to people exchanges and a better cultural appreciation of each other's traditions was identified as an area of particular focus. The two leaders welcomed the decision to hold the Festival of Brazilian Culture in India in January-March, 2008 and the Festival of Indian Culture in Brazil in July-September, 2008. They also urged that there should be greater exchange of tourists, students and youth between the two countries.
10. The leaders of both sides reiterated the importance of ensuring socially inclusive economic growth in their countries. The Indian side expressed great appreciation for policies implemented by President Lula which have significantly impacted poverty reduction in Brazil. For its part, the Brazilian side expressed appreciation for the policies being implemented in India for poverty alleviation which have successfully lifted scores of millions from the poverty trap. Both sides stressed that these efforts must continue and an exchange of experiences and programmes between the two countries in respect of poverty alleviation would be of great benefit to each other. They also agreed that their experiences for enhancement of the quality of life of the most vulnerable sections of their population could be shared with other developing countries and the international community in the fight against hunger and poverty.

11. Both parties noted the progress reached in the partnership between Petrobras and Indian companies to explore, produce and trade oil, gas and derivatives in Brazil, India and elsewhere. They confirmed the understanding that both Governments will continue to encourage further cooperation between companies of the oil & gas sector in both countries.
12. The two sides recognized the role of educational cooperation in strengthening bonds of friendship between India and Brazil and expressed interest in deepening the partnership between institutions of higher education in both countries.
13. Brazil and India have had a long tradition of fruitful cooperation in regional and multilateral fora including at the United Nations, WTO and the UNFCCC. This cooperation is a reflection of their common world view and common socio-economic requirements.
14. Both sides stressed the need to promote the democratization of the structures of global governance by increasing the participation of developing countries in their decision-making bodies. In that regard, they reiterated their steadfast commitment to reforming and expanding the UN Security Council, with the inclusion especially of countries from all regions of the developing world as permanent members, in order to render it more democratic, legitimate and representative. They welcomed the new momentum on the debate on Security Council reform and expressed their readiness to participate in negotiations, together with the other G-4 partners, with a view to reaching a decision on this long-standing issue at the earliest. They reaffirmed their understanding that no reform of the United Nations will be complete without reform of the Security Council. They reiterated their support for each other's permanent membership in an expanded UNSC.
15. In respect to the Doha Development Agenda, Prime Minister Manmohan Singh and President Lula stressed the importance of close coordination between the two governments to effectively realize the development dimension in every aspect of the outcome of the negotiations. They reiterated the urgent need to successfully complete the Doha Round in order to promote the interests of developing countries in keeping with the Doha mandate and reaffirmed the commitment of their governments to continue to work closely together in the G-20 and NAMA-11. In agriculture, they recalled their

commitment to an ambitious outcome in terms of elimination of distortions and subsidies in international trade in agriculture and the preservation of the food security, rural development and livelihood concerns of rural populations of developing countries. They also stressed the Hong Kong Declaration and the high ambition in market access in NAMA and reaffirmed that this ambition has to be achieved in a balanced and proportionate manner consistent with the principle of less than full reciprocity in reduction commitments.

16. Both sides reiterated the importance they attach to matters pertaining to climate change and agreed that the solution to the problem of climate change, which is essentially the outcome of the unsustainable production and consumption patterns in the developed world, can not lie in the perpetuation of poverty in developing countries. They agreed on the need to constructively discuss this important issue with all partners taking into account the specific developmental situation and requirements of developing countries and simultaneously working toward a greater share of clean and renewable energy sources in the global matrix, energy efficiency and energy security. Developing countries cannot accept approaches that impede growth and retard poverty alleviation obligations. They agreed that both sides would cooperate closely, along with other developing countries, at the UNFCCC and also within the framework of the Kyoto Protocol. The second meeting of the bilateral Working Group on Environment is to be held later in 2007 and would enable both sides to coordinate their positions to common benefit.
17. Both sides expressed satisfaction with the launching of the International Biofuels Forum, in March, 2007. They reaffirmed their mutual interest in deepening cooperation in accordance with the work program created under the Memorandum of Understanding on Technological Cooperation in the Area of Mixing Ethanol with Gasoline, signed in 2002. President Lula reiterated the commitment of his Government to intensifying exchange of information with India on Brazil's Biofuels Program. Both sides favour the use of clean energies and will join efforts leading to the creation of an international market for ethanol that can contribute to the reduction of the world's dependence on fossil fuels.
18. Both sides stressed the importance that they attach to IBSA, this unique forum of large, multi-ethnic, multi-racial and multi-religious

developing countries of the three continents of Africa, Asia and Latin America that are closely linked by the common bonds and principles of pluralism and democracy. They recalled the successful IBSA Summit held in Brazil in September 2006 and look forward to taking stock of progress made and giving fresh direction for the evolution of the IBSA framework at the second Summit to be held in South Africa in October, 2007. The Ministerial Meeting of the Trilateral Commission of IBSA in India on 16-17 July, 2007 should ensure that preparations for the second Summit are meaningful and substantive. Both sides also noted that the development of cooperation in the IBSA framework would further strengthen bilateral linkages among the three countries.

19. President Lula and Prime Minister Manmohan Singh used the opportunity of their meeting in New Delhi to have an in depth exchange of views on the forthcoming meeting of the G8 + O5 at Heiligendamm in Germany. They expressed satisfaction at the unity of approach that both sides had towards this important meeting and pledged to continue to cooperate in this forum.
20. During the visit the following agreements were signed:
 - U Agreement on Mutual Assistance in Customs Matters;
 - U Agreement on Audio Visual Co-production;
 - U Implementing Arrangement regarding Cooperation in Augmentation of Brazilian Earth Station for Receiving and Processing data from Indian Remote Sensing Satellites;
 - U Academic Exchange Programme;
 - U MOU on India-Brazil CEOs Forum;
 - U Heads of Agreement between ONGC, OVL and Petrobras; and
 - U MOU between National Council for Applied Economic Research and Institute of Applied Economic Research of Brazil.
21. President Lula expressed his gratitude to the Government and people of India for the hospitality and the warmth of the welcome received by him and his delegation.

22. President Lula invited the President and Prime Minister of India to pay official visits to Brazil. The invitations were accepted with pleasure. Dates will be settled through diplomatic channels.
23. Both sides agreed that the State visit of President Lula to India had provided a decisive impetus to the further development of the strategic partnership between India and Brazil.



501. Speech of President Dr. A. P. J. Abdul Kalam at the banquet in honour of the Brazilian President Luiz Inacio Lula da Silva.

New Delhi, June 4, 2007.

Your Excellency, Mr. Luiz Inacio Lula da Silva,

President of the Federative Republic of Brazil.

Excellencies,

Ladies and Gentlemen,

On behalf of the Government and people of India, I am very happy to extend a warm welcome to you and to the distinguished members of your delegation on your State visit to India. Your visit, following the visit of Prime Minister Dr. Manmohan Singh to Brazil in September 2006, marks a significant step in further deepening and diversifying our warm and friendly ties.

Although our two countries are divided by geography and distance, they share common democratic values and developmental aspirations. Both India and Brazil are large developing countries, each an important player in its region, both stable and large democracies as well as trillion-dollar economies.

The ethos of our polities is secular. Our societies are multi-cultural and multi-ethnic. In our developmental endeavours, we have utilized Science and Technology and particularly high technology to alleviate poverty and to reduce hunger. Brazil has made significant strides in the agricultural sector, including in agricultural research. The work done by your research and development organisations has led to significant improvements in crop productivity as well as in the genetic upgradation of livestock, three-fourths of

which, interestingly is derived from the Nellore variety of India. You have also had important successes in the manufacturing sector. This also includes your aviation industry, which has also manufactured the Embraer aircraft, which we are using for our internal tours. Your achievements in the field of industrial Science and Technology demonstrate that it is possible for developing countries also to overcome the confines imposed by shortage of resources for research and development and to achieve world-class status. We could cooperate in the development of a 100-seater passenger jet, using the core competencies of both our countries in the field of aerospace. Such a jointly developed passenger jet could be marketed worldwide.

India, too, has devoted concerted efforts to achieve scientific and technological progress since the time it attained independence. The vision of Pandit Jawaharlal Nehru, India's first Prime Minister, has enabled India to create a nationwide network of advanced research and development facilities as well as institutions of higher education. This has enabled India to emerge as one of the leading countries in the sphere of Information Technology and software development. India's manufacturing sector and our efforts in the field of space research have enabled us to not only develop and build satellites but also to launch them from our soil. The data transmitted by our communication, remote sensing and meteorological satellites is being used to improve the livelihood and the quality of life of our people. The area of automobiles and their components is another area where we can explore joint opportunities. We have also made significant progress in agriculture through our Green and White Revolutions. This is a critical sector that is currently in our focus for we wish to impart new and significant dynamism to it.

Bilateral ties between India and Brazil characterised, as they are, by regular high-level political exchanges, of which your visit is the latest manifestation, are also marked by our determination to develop our economic and commercial relations by fully utilizing our obvious complementarities. The two-way trade turnover of US \$ 2.6 billion recorded in 2006 is targeted to reach US \$ 10 billion by 2010. Corporate entities on both sides are engaged in a process of intensive bilateral interaction. The third meeting of the India-Brazil Joint Commission, which met in April 2007, has identified a wide-range of areas to broad-base and strengthen our mutually beneficial ties and it is particularly gratifying to note the growing exchanges taking place between the scientific communities of India and Brazil.

India is presently engaged in the development of bio-diesel and for this we are undertaking large-scale planting of *Jatropha*. Interestingly, the *Jatro-*

pha plant came to India from Brazil through the Portuguese connection. Brazil and India can work together in the field of bio-fuel production and its related applications. In this regard, the International Bio-fuels Forum is an important initiative taken by Brazil.

The discussions that Your Excellency has had with us today have confirmed that we not only share a similarity in our vision of the world, but also an abiding commitment to realize the full benefits of our relationship for the welfare of our people. The agreements that were signed today will further strengthen and broad base our relationship. I am confident that our strategic relationship will continue to flourish and prosper. I look forward with confidence and trust to working together with you for a better future for our people.

Excellencies, Ladies and Gentlemen, may I request you to join me in raising a toast : -

- U to the health and happiness of His Excellency President Luiz Inacio Lula da Silva,
- U to the prosperity and development of the Federative Republic of Brazil and its friendly people; and
- U to the further strengthening of the cooperation between our two nations.



COLOMBIA

502. Joint Statement issued on the occasion of the visit of Minister of State Anand Sharma to Colombia.

Bogota, June 20, 2007.

The Minister of State for External Affairs of the Republic of India, Mr. Anand Sharma, paid an official visit to Colombia from 19th to 21st June 2007, at the invitation of the Minister of External Relations of the Republic of Colombia, Mr. Fernando Araújo Perdomo. During his stay in Colombia, Minister Sharma called on the President of the Republic, H. E. Mr. Alvaro Uribe Vélez; and met with the Minister of Trade, the Minister of Mines and Energy, as well as with the Minister of Defense.

2. The two Ministers expressed satisfaction with the status of the bilateral relations, marked by a spirit of solidarity, cooperation and mutual respect. They exchanged views on the current political and economic situation of their respective countries. They agreed to continue regular exchange of high-level interactions, visits and dialogue.
3. Minister Sharma expressed the interest of India to receive the visit of the Colombian Minister of External Relations in end 2007 and the President of the Republic, Mr. Alvaro Uribe Vélez in the first half of 2008, on the invitation of the Government of India. The exact dates would be decided through diplomatic channels.
4. The two Ministers took note of the bilateral Agreements already signed for cooperation in IT, Science and Technology and Urban Transport. They agreed to take necessary steps to ratify and activate existing agreements, and expedite efforts towards advancement of other possible areas of cooperation such as Defence and Cultural Exchanges.
5. Aware of the importance of increasing cultural exchanges to bring people of both the countries closer, the Ministers agreed to engage in discussions that can lead to the signing of the Cultural Exchange Program with a view to organize cultural activities in the two countries for the next three (3) years.

6. The Colombian side thanked the Government of India for the annual ITEC (Indian Technical and Economic Cooperation) scholarships to Colombian candidates for training in various fields in India.
7. The two sides expressed satisfaction with the accelerated growth of trade in recent years crossing 400 million US dollars in 2006. They agreed to promote expansion of trade¹ through exchange of business delegations, participation in trade fairs and organization of business seminars in collaboration with the private commercial and industrial sector.
8. The Colombian side welcomed the investment by Indian companies such as ONGC Videsh Ltd. (OVL) and other companies interested in investment and joint ventures in Colombia.
9. Minister Sharma thanked the Government of Colombia for the recent measures taken towards facilitating issue of visas to Indian businessmen wishing to visit Colombia. The Colombian side agreed to examine the Indian request for longer-term business visas with simplified procedures.
10. The Ministers reiterated the commitment of their respective Governments towards the principles of democratic values, respect for human rights and the fundamental freedoms that are essential to securing the well-being and the social and economic development of the global population in an environment of peace, social justice and equity.
11. The two sides reaffirmed their firm condemnation of terrorism in all its forms and manifestations and agreed to strengthen cooperation and support to each other in combating terrorism, in international fora. In this context, they agreed to push forward the negotiations towards formalization of a Comprehensive Convention on International Terrorism (CCIT) at the UN. They condemned kidnappings and other terrorist acts carried out by illegally armed groups in both countries.

1. On June 16 the Official Spokesperson had told the media in New Delhi that Colombia is the third largest destination for India's exports to Latin America. Exports in 2006 were US\$ 346 million and imports US\$ 63 million. ONGC Videsh Ltd. (OVL) has acquired a producing oil field for US\$ 425 million. Reliance has also got an offshore oil block for exploration. There are 70 Colombian pilots and engineers working with Air Deccan and other airlines in India.

12. Both sides welcome the resolution adopted by the UNGA declaring 2nd October as the International Day of Non-violence.
13. The Ministers highlighted the importance of continuing with the joint efforts of the two countries in the international fora against illicit trafficking of weapons, ammunitions and explosives- a phenomenon that is closely linked with terrorism and other transnational organized delinquencies. The Ministers renewed the commitment of both the countries to the recommendations of the Program of Action of the United Nations to prevent, combat and eradicate illicit trafficking of small and light weapons. They also emphasized upon the importance of improving surveillance and mutual exchange of information in this regard.
14. The Ministers agreed upon the importance of continued support to the process of greater reforms of the United Nations and that of the Security Council with a view to make it more representative, democratic and efficient.
15. Minister Sharma expressed his gratitude for the support of the Government of Colombia to the Indian candidature to the Human Rights Council for the period 2008-2011. The Ministers thanked each other for the mutual support of the candidatures of Colombia and India for becoming Non-Permanent Members of the UN Security Council for the period 2011-2012.
16. The two sides agreed to continue consultations and cooperation on issues of common interest in UN and other multilateral fora such as the World Trade Organisation.
17. The two sides reiterated their commitment to the principles and purposes of the Non-Aligned Movement which can play a greater role in international affairs and multilateral issues in the United Nations.
18. Minister Sharma thanked the Government of Colombia for their warm welcome and hospitality during his visit.

FERNANDO ARAUJO PERDOMO

**Minister of External Relations
Republic of Colombia**

ANAND SHARMA

**Minister of State for External
Affairs, Republic of India**



503. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Colombia, 19-21 June, 2007.

New Delhi, June 22, 2007.

Minister of State for External Affairs, Shri Anand Sharma, visited Bogota, the capital of Colombia accompanied by a delegation of MEA officials.

The visit opened with a call on President of Colombia Mr. Alvaro Uribe Velez in the forenoon of 20 June. The President received the Minister very warmly and spoke of the importance of India for Colombia. The Minister conveyed the greetings of President and Prime Minister of India to President Uribe and conveyed Government of India's desire to invite President Uribe to India in the first half of 2008. President Uribe welcomed the invitation and expressed his interest in attracting Indian investment and increasing political, commercial and cultural cooperation between the two countries.

Thereafter the delegations of both countries held formal discussions on a range of bilateral issues. The Colombia delegation was headed by Foreign Minister Mr. Fernando Araujo Perdomo. The discussions touched upon India's interest in further investing in the energy sector in Colombia; participation in infrastructure projects in Colombia such as railways; forthcoming visits of business delegations in both countries; cooperation in defence and security and multilateral fora. MOS extended an invitation to Foreign Minister Araujo to visit India later this year, which the latter accepted. The Ministers reviewed the international situation and exchanged views on issues of mutual interest.

Minister Sharma thereafter called on Minister of Foreign Trade, Industry and Tourism, H.E. Mr. Guillermo Plata Paez and discussed ways to enhance the bilateral trade which has reached a record US\$ 410 million in 2006; possibilities for concluding Investment Promotion and Protection Agreement; Preferential Tariff Arrangement; etc. Minister Sharma pointed out that several Indian companies in areas of engineering, software, textiles, apart from public sector enterprises such as OVL and IRCON could offer tremendous expertise which would be useful for Colombia. The Minister informed Minister Plata about the Joint Business Forums between the two countries scheduled to be held in August 2007 in Bogota and Medellin and urged the Minister to accelerate the pace of official and business visits to India from Colombia.

Minister also called on the Minister of Mines and Energy Mr. Hernan Martinez, pointing to presence of ONGC Videsh Limited (OVL) in Colombia with an investment of US\$ 425 million, and its interest in further collaboration, as well as interest of various Indian companies in the Colombian mining sector. Minister Martinez expressed Colombia's appreciation of Indian interest in the Colombian energy sector and also his desire to collaborate with India and with OVL in particular, pointing to the prospects of collaboration between the Colombian state company Ecopetrol and OVL.

Minister Sharma also called on Colombian Defence Minister Juan Manuel Santos and discussed areas of mutual interest as well as possibility of training and equipment transfer. Minister Santos expressed his interest in visiting India in September-October 2007 on the standing invitation of Rakhsha mantri to develop closer relations with India.



ECUADOR

504. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Ecuador.

New Delhi, June 23, 2007.

Minister of State for External Affairs, Shri Anand Sharma, visited Quito, the capital of Ecuador accompanied by a delegation of MEA officials.

The visit opened with a call on newly elected President of Ecuador Mr. Rafael Correa Delgado. The Minister conveyed greetings from President and Prime Minister of India to President Correa and expressed appreciation of the close relations between the two countries, symbolised mostly recently by the opening of an Ecuadorian Embassy in Delhi in early 2005 and the visit of Ecuadorian Foreign Minister to India in July 2006. President Correa, himself a professional economist, welcomed Minister Sharma and praised India's rapid economic development and equitable policies. He emphasised the need for greater interaction between the two countries. Minister Sharma conveyed India's desire that President Correa visit India at a convenient time and President Correa expressed his interest in doing so.

The delegations held talks in the Ministry of Foreign Affairs. The Ecuadorian Foreign Minister Mrs. Maria Fernanda Espinosa led the Ecuadorian delegation. The discussions covered a wide range of bilateral issues and areas of mutual interest in international relations. The two Foreign Ministers thereafter signed the Agreement on Exemption of Visas for Diplomatic and Official Passports and a Cultural Agreement.

Minister Sharma thanked Foreign Minister Espinosa for the hospitality and invited her to visit India at a convenient time which the latter gracefully accepted.

During the visit, in the spirit of south-south cooperation, Minister Sharma announced India will donate a large volume of generic medicines to Ecuador. A few Indian pharmaceutical companies are present in Ecuador and the Ecuadorian public health policy is being revised to put more emphasis on generic medicines.

The Ecuadorian authorities also thanked Minister Sharma for the gesture of the Ministry of External Affairs of India in organising a special course on

Information Technology for sixty Ecuadorian students, from August to November, 2007.

Minister held separate talks with Ecuadorian authorities in the energy and public works sectors, expressing India's interest in participation in Ecuador's hydrocarbons sector and in construction of rail roads to be rehabilitated in Ecuador.

Minister Sharma addressed a gathering of government officials, diplomats, media and members of the prestigious think tank FLACSO on the topic 'Foreign Policy of India and South-South Cooperation'. He answered questions from Ecuadorian analysts and others on various aspects of India's foreign policy.^U



^U On June 15 in a briefing to the media the Official Spokesperson had said in New Delhi that the oil rich Ecuador had been exporting small quantities of crude oil to India. OVL was interested in acquiring oil blocks and had already signed a MOU with Petroecuador. Ecuador has recently reopened its Embassy in New Delhi and was keen to establish economic and technical partnership with India. The Government of India was providing ITEC assistance and training to Ecuadorian nationals. The trade between Indian and Ecuador was US\$ 100 million in 2006.

EL SALVADOR

505. Joint Communiqué issued on the occasion of the official visit of Minister of External Relations of El Salvador Francisco Esteban Lainez.

New Delhi, March 9, 2007.

His Excellency Mr. Francisco Esteban Lainez visited India from 4 to 9 March, 2007. He was accompanied by a high level delegation including the Presidential Commissioner of Agriculture and Cattle Raising, Mrs. Carmen Elena de Sol as well as businessmen. The delegation visited Bangalore on March 5-6 and had meetings with Indian IT companies and with officers of the local government, among others.

Minister Lainez had a meeting with the Minister of External Affairs, Shri Pranab Mukherjee. He had delegation level talks with the Minister of State for External Affairs Shri Anand Sharma, in which officials of the various Ministries of the Government of India participated. In these meetings, the two sides agreed to promote bilateral relations and cooperation in a variety of areas.

The two sides exchanged views on a number of regional and global issues. They agreed to work together in areas of common interest in multilateral fora including the United Nations and WTO. El Salvador shared India's view on the urgent need for reforms of the United Nations. El Salvador supports a broad reform of the United Nations Security Council that should cover issues related to its organization, procedures and membership, among others. In this context, the Salvadoran Foreign Minister expressed his country's support to India's aspiration to permanent membership of an enlarged United Nations Security Council, which should include more permanent and non-permanent members allowing for a better regional representation and for a more democratic and representative United Nations Organ.

The Indian side reiterated its interest to continue and expand its development partnership with El Salvador as part of its commitment to South-South cooperation. In this context, External Affairs Minister Shri Pranab Mukherjee conveyed that (1) India would set up an Information Technology Training Centre in El Salvador to contribute to the human resource development of the country (2) agreed to increase the annual ITEC training scholarships to the nationals of El Salvador from the existing ten to fifteen and (3) willing-

ness to extend a Line of Credit (LOC) of 15 million dollars for further development of economic cooperation. The El Salvador side thanked the Government of India for these gestures and expressed interest in a higher quantum of LOC. The Indian side agreed to consider further amounts after the initial LOC is fully utilized.

The two sides agreed for cooperation in the areas of Tourism, Education, Culture, Films and visual arts and exchange of cultural troupes, exhibitions, academic scholars and film festivals.

El Salvador attached special importance to cooperation in the Agriculture sector and expressed its particular interest in the production of ethanol as a source of energy derived from sugar cane and of other bio-fuel production alternatives and also in implementing an exchange programme of experts in the agro-industrial fields, particularly for the industrialization of tropical fruits like mangoes, cashew nuts and coconuts, and for other areas where India has developed internationally recognized expertise. The El Salvador side sought India's cooperation for projects for sustainable and productive horticulture, fisheries and Information Technology applied to the Salvadoran Agricultural Development Bank and also to hotel management. The Indian side agreed to facilitate cooperation with the authorities and institutions concerned in India and consider signing a MOU for cooperation.

The Salvadoran side explained the significance of its initiative to insert the issue of International Cooperation for Middle Income Countries in the international agenda and to develop mechanisms to mobilize ODA for such group of countries. The Indian side took note of the initiative and promised to consider it. The El Salvador side would provide a detailed non-paper on this matter to the Indian side.

Minister Lainez had a meeting with the Minister of Commerce and Industry, Mr. Kamal Nath. The two sides agreed on the need to enhance bilateral trade, which is much below the potential. They agreed to promote trade and encourage the companies from both sides to explore each other's market for trade, investment and joint ventures. The El Salvador side agreed to the request of the Indian side to facilitate business visas for Indian business visitors to El Salvador.

Minister Lainez addressed a meeting of senior business executives organized by the Confederation of Indian Industry.

The Indian side attached importance to the Central American Integration System (SICA), of which El Salvador is a member. The two sides agreed to

strengthen India-SICA cooperation. The El Salvador side agreed to facilitate India-SICA dialogue and to hold the next ministerial meeting at the earliest.

The Salvadoran side expressed its appreciation for the splendid hospitality and outstanding organization of all aspects during their official visit to India. The Foreign Minister of El Salvador extended the most cordial invitation to the Minister of External Affairs, the Minister of State for External Affairs of India, to Government Officials and businessmen to visit El Salvador to follow up the initiatives that have originated during this official visit and to explore new opportunities in different fields.



GUATEMALA

506. Press Release of the Ministry of External Affairs on the visit of Gert Rosenthal, Minister of Foreign Affairs of the Republic of Guatemala.

New Delhi, August 24, 2007.

The Foreign Minister of Guatemala Mr. Rosenthal is on official visit to India from 25-31 August 2007. He is being accompanied by his wife and two business delegates.

Mr. Rosenthal will have talks with Minister of State for External Affairs, Shri Anand Sharma on 29th August 2007. The two Ministers will review bilateral relations and discuss measures to strengthen bilateral cooperation.

The two Ministers will also discuss deepening of dialogue and cooperation between India and the Central American Regional Group called as SICA, which consists of eight Central American countries.

The Government of Guatemala has decided to open an Embassy in New Delhi. The Government of India has also decided to open a resident Embassy in Guatemala. The new Embassies of the two countries should start functioning in 2008.

Mr. Rosenthal will give a talk at the Jawaharlal Nehru University on the "Political and Economical integration in Central America" on 30th August 2007.

Minister of State for External Affairs Shri Anand Sharma had visited Guatemala in June this year. During this visit, Shri Sharma announced (a) a line of credit of 10 million Dollars to Guatemala, and (b) increase in the number of annual ITEC scholarships from 7 to 15 per year.

India's exports to Guatemala have been increasing significantly in recent years reaching 73 million US Dollars in 2006. Imports from Guatemala were 3 million Dollars in 2006.

The Government of India has set up an IT Training Centre in Guatemala run by TCS of India.

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The Government of Guatemala is in touch with the Reliance Group for setting up a refinery in Guatemala.

The Indian company 24/7 has established a joint venture BPO in Guatemala which employees 500 Guatemalan staff. Indian pharmaceutical companies have established offices and operations in Guatemala.



JAMAICA

507. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Jamaica.

New Delhi, February 21, 2007.

Shri Anand Sharma, Minister of State for External Affairs visited Jamaica from 17-19 February 2007. On arrival in Kingston on February 17, Minister Sharma called on the Prime Minister at her Vale Royal official residence and held discussions on matters of bilateral and multilateral interests. During the discussions the two leaders recognized the need for further strengthening of the bilateral relations and Minister Sharma renewed India's commitment for enhanced assistance to Jamaica under the Indian Technical & Economic Cooperation (ITEC) Programme. Recalling the recent extension by the Government of India of a US\$7.5 million Line of Credit for import of water pumps by the National Water Commission of Jamaica, Minister Sharma offered further extensive technical assistance for establishment of an Information Technology Centre in Jamaica and for supplies from India of equipment and medicines. Prime Minister stated that Jamaica was thankful to India for the cooperation it was receiving from India, and with a view to further strengthening the bilateral relations, Jamaica was committed to establish its resident Mission in India in the near future. Minister Sharma renewed invitation to the Prime Minister for visiting India.

2. Minister Sharma met Foreign Affairs and Foreign Trade Minister, Mr. G. Anthony Hylton, on February 19 and further discussed with him matters of bilateral and multilateral importance. Minister Sharma emphasized on the need of optimal utilization of the 15 slots earmarked for Jamaica for various technical training courses offered by the Government of India under the ITEC Programme. Training under this Programme is offered to friendly developing countries and the cost of international travel, accommodation and training is entirely met by the Government of India. Minister Sharma also welcomed more Jamaican diplomats for their training in the Foreign Service Institute of India. Minister Sharma extended

an invitation to Minister Hylton to visit India. Minister of State for Foreign Affairs and Foreign Trade, Mr. Delano Franklyn hosted an official luncheon in honour of Minister Sharma.

3. During the follow-up official-level meeting held in the Office of the Prime Minister, Mr. R. Viswanathan, visiting head of the Latin America and Caribbean division in the Ministry of External Affairs, informed the Jamaican side that the Government of India package for offer of the fresh assistance was to the tune of US\$1 million. Out of which, about US\$600,000 to US\$700,000 was likely to be spent on establishment of the Information Technology Centre at the proposed site of Camp Cape Clear in St. Mary Parish and the remaining for supply of equipment and generic medicines.
4. The visit also provided opportunity for Minister Sharma to interact with the other senior Ministers in the Government of Jamaica and the Indian Community.



MEXICO

508. Joint Statement issued on the visit of the Mexican President Felipe Calderon Hinojosa.

New Delhi, September 10, 2007.

His Excellency Mr. Felipe Calderon Hinojosa, President of Mexico, paid a state visit to India from 9 to 12 September, 2007 at the invitation of Her Excellency Smt. Pratibha Devisingh Patil, President of the Republic of India. This visit, the first by a Mexican Head of State after an interval of 22 years, reflects the advances made in bilateral relations in recent years and underlines the strong commitment of both countries to further develop and strengthen bilateral relations in a broad and comprehensive manner. President Calderon was accompanied by a high level ministerial delegation and a large business delegation. He held intensive and fruitful discussions with President Patil and Prime Minister Manmohan Singh, and met with External Affairs Minister, Pranab Mukherjee, the Leader of the Opposition, Lal Krishna Advani and United Progressive Alliance Chairman, Sonia Gandhi.

2. India and Mexico are old civilizations, both of which represent vibrant and pluralistic democracies that are multi-ethnic, multi-lingual and multi-religious. They are countries with a tradition of friendship and cooperation that have rediscovered each other's strengths and complementarities in the political, commercial, economic, Science & Technology, environmental and developmental spheres. They recognise each other as countries on the international scene, who actively contribute to find creative solutions to global problems. Based on their significant commonalities, the two sides have decided to establish a Privileged Partnership between their two countries with a view to leveraging their mutual strengths for each other's common benefit and socio-economic development.
3. The leaders of India and Mexico agreed on the importance of regular political dialogue and high level contacts and exchanges between their two countries. President Calderon invited President Patil and Prime Minister Manmohan Singh to pay official visits to Mexico. The invitations were accepted with appreciation, and dates would be settled through diplomatic channels. They also agreed on the

importance of fostering greater intergovernmental exchanges, particularly between their foreign ministries, as well as parliamentary contacts and a more dynamic social interaction.

4. Both sides noted that the next meeting of the Joint Commission is scheduled to be held in early 2008. They instructed the Joint Commission to prepare a coherent and comprehensive plan of action to strengthen bilateral relations. They also urged that pending agreements such as for development of civil aviation ties and facilitation of customs cooperation be finalised at an early date.
5. The leaders of both countries noted the growing engagement between the two sides in the trade and economic spheres. They underlined the importance of strengthening this trend to ensure that their new partnership in the 21st century would have a strong underpinning. In the context of further developing their trade and economic partnership, they also stressed the importance of simultaneously developing greater connectivity between the two countries and the need to encourage cooperation in investment, in the infrastructure sector, among SMEs, in pharmaceuticals, in energy, in the automobile sector, in Information and Communication Technology, in agriculture, food processing and other related sectors. The two leaders took note of the first meeting of the bilateral High Level Group on Trade, Investment and Economic Cooperation held in New Delhi on 10 September 2007 and agreed that appropriate measures should be taken so that the bilateral trade which stood at USD 1.8 billion in 2006 increases to USD 5 billion by 2010. In this context, they noted that the Mexican business delegation, accompanying President Calderon, would have meetings in New Delhi, Bangalore and Chennai. The leaders of the two countries noted with satisfaction the growing Indian investment and joint ventures in Mexico as well as with the opportunities for Mexican companies in the Indian market.
6. The two sides noted with satisfaction that the Plan of Action for cooperation among Medium and Small Enterprises had been finalised in 2006. They called for early implementation of the plan and urged the Joint Committee set up to enhance such cooperation to look at innovative ways of leveraging each other's strengths and capabilities in this critical sector that plays an important role in employment generation in both countries.

7. Both sides noted the importance of further strengthening their already useful cooperation in the Science & Technology sector and called upon the Joint Committee for science & Technology to meet at an early date to further energise cooperative endeavours in the sector and identify new areas of mutual interest where joint research & development and other programmes can take place, including in Bio-technology and Information Technology.
8. Given the importance of the agricultural sector in both economies and the advancements made by each side in specific areas in respect of agriculture and food processing, the leaders of the two countries called for greater cooperation in agricultural research and education. To this effect, appropriate legal frameworks would be agreed in the coming months.
9. Recognising the cultural richness of both countries, the leaders agreed on the need to strengthen cooperation in this field, as a means to promote deeper mutual knowledge and understanding. Specifically, both sides agreed to finalise soon the Cultural and Education Programmes for 2008 - 2010. The Indian side conveyed its deep appreciation to the Mexican side for arranging the exhibition of Mixteco Zapoteca art "Dressed up like Gods" at the National Museum, New Delhi, and the exhibition of contemporary Mexican artist Juan Soriano, in the National Gallery of Modern Art in Mumbai, inaugurated by the President of Mexico during his visit to India. The Mexican side invited the Indian side to hold a similar major exhibition of Indian culture and art in Mexico in 2009. The offer was accepted with thanks. Follow-up action would be undertaken by the Indian Ministry of Culture.
10. India and Mexico share many similarities and with a view to strengthening these bonds, the leaders of the two countries stressed the importance of greater exchanges between the peoples of the two countries. This requires strengthening of parliamentary contacts, greater exchanges amongst youth, the development of tourism and intensification of cultural cooperation. Both sides agreed to take conscious steps to enhance cooperation in all these critical areas that would help the development and strengthening of their Privileged Partnership.
11. Both sides noted that the 60th anniversary of the establishment of

diplomatic relations between their two countries would be celebrated in August 2010. It was agreed that this event would be celebrated in a manner befitting the occasion with joint commemorative activities.

12. The year 2010 also marks the 200th anniversary of Mexican independence and the 100th anniversary of the Mexican Revolution. President Calderon extended to President Patil and Prime Minister Singh invitations to participate in these celebrations. The President and the Prime Minister of India conveyed their deep appreciation and thanks for the invitations and conveyed that India would be represented at high level in these celebrations.
13. Regarding cooperation in the education sector, the leaders of the two countries noted with appreciation that contacts are developing among educational institutions on both sides. They called for strengthening of such links amongst universities and other centres of excellence and learning.
14. Mexico and India have had a tradition of fruitful cooperation in regional and multilateral fora including at the United Nations. This cooperation is a reflection of their common world view. In this context, two sides took note of the first meeting of the mechanism of bilateral consultations on multilateral issues in New Delhi in August 2007 and agreed that such meetings should be held regularly in future.
15. The two leaders reaffirmed the vital importance of an effective multilateral system. Both sides stressed the need to promote the democratization of the structures of global governance by increasing the participation of developing countries in their decision-making bodies. In that regard, they agreed upon the importance of continued support to the process of reform of the United Nations Security Council, and agreed to continue consultations on this matter. They reaffirmed that no reform of the United Nations will be complete without reform of the Security Council.
16. Both sides reaffirmed their decision to support each other's candidature for a non-permanent seat on the UN Security Council for 2011 - 12 for India and 2009 - 10 for Mexico.
17. Both sides noted their productive and substantive cooperation in the context of their participation as invitees at the Outreach Dialogue during G-8 Summits. The leaders of both countries reiterated their

determination to continue and strengthen such cooperation among the Group of Five/ Outreach Countries.

18. In respect of the Doha Development Agenda, both sides stressed the importance of close coordination between the two governments to effectively realize the development dimension in every aspect of the negotiations. They reiterated the urgent need to successfully complete the Doha Round in order to promote the interests of developing countries and reaffirmed the commitment of their governments to work closely together in the G-20.
19. Both sides reiterated the importance they attach to matters pertaining to climate change and agreed that the solution to the problem of climate change shall not foreclose the right to accelerated economic and social development of developing countries. Developing countries cannot accept approaches that impede growth and retard poverty alleviation obligations. They agreed that both sides would cooperate closely and constructively discuss this important issue with all partners, within the ambit of the UNFCCC and its Kyoto Protocol.
20. The leaders of both countries reaffirmed that terrorism constitutes one of the most serious threats to international peace and security. They strongly condemned terrorism in all its forms and manifestations, and agreed to strengthen cooperation and support to each other in international fora in combating terrorism. They stressed that there can be no justification, whatsoever, for any acts of terrorism. The two leaders reaffirmed their commitment to the United Nations Global Counter-Terrorism Strategy, adopted in 2006 by the General Assembly of the United Nations.
21. Both sides recalled with satisfaction their tradition of positive cooperation at the IAEA and other fora, with a view to ensuring the unimpeded growth and development of peaceful uses of atomic energy, through the supply of technology, equipment and material, under appropriate safeguards, and reaffirmed their will to intensify such cooperation. They reiterated the importance of ensuring that any multilateral decisions related to the nuclear fuel cycle do not undermine the inalienable right of States to pursue nuclear energy for peaceful purposes in conformity with their international legal obligations. They further agreed that international civilian nuclear cooperation, under appropriate IAEA safeguards, amongst countries

committed to nuclear disarmament and non-proliferation objectives could be enhanced through acceptable forward-looking approaches, consistent with their respective national and international obligations.

22. The two leaders had a detailed exchange of views on regional issues of mutual interest, including political and economic developments in Latin America, as well as the current situation in the Asia Pacific area.
23. During the visit, agreements on the following were signed:
 - U Extradition
 - U Mutual Legal Assistance in Criminal Matters
 - U The Avoidance of Double Taxation.
24. President Calderon expressed his gratitude to the Government and the people of India for the hospitality and the warm welcome received by him and his delegation.
25. Both sides expressed deep satisfaction with the successful outcome of the visit. The leaders of the two countries were particularly satisfied that relations between their two countries were now entering a dynamic and qualitatively new phase of Privileged Partnership.



**509. Speech by President Smt. Pratibha Devisingh Patil
at the banquet in honour of the Mexican President.**

New Delhi, September 10, 2007.

Your Excellency, President Felipe Calderon,

Madam Calderon,

Distinguished members of the Mexican delegation,

Ladies and Gentlemen,

I am delighted to welcome you to India.

We have great admiration for Mexico, a country which has a rich heritage, vibrant democracy and pluralistic culture. The Mayan and Aztec civilizations of Mexico have enriched mankind. As the largest Spanish speaking country in the world, Mexico has influenced and inspired the culture, art, music and films of Latin America. Diego Rivera, Frida and Octavio Paz are well recognized and admired in India.

We are especially delighted to welcome you, Mr. President, since the visit is taking place 21 years after the last high-level visits. In this period, India has undergone a paradigm shift. It has become the fastest growing free market democracy in the world. India has achieved success in Information Technology and is gearing itself to be among the forefront of the emerging "knowledge and information society". The Indian manufacturing sector is becoming globally competitive. The new generation of young Indians has a mindset that is marked by optimism, confidence and a can-do attitude. They are determined to seize the opportunities arising from globalization.

Relations between our two countries have always been friendly and cordial. The time has come for us to give them fresh substance and depth in the new contemporary environment. There are synergies and complementarities waiting to be exploited. Our bilateral cooperation in Science and Technology, agriculture, trade, investment, energy, small and medium industries, culture and education must be significantly stepped up. We must also open up new areas of cooperation. Your visit provides us the opportunity to do this.

Trade between our two countries has been increasing rapidly in recent

years and reached \$1.8 billion in 2006. We expect this to touch \$5 billion by 2010. There are enormous opportunities for investment and joint ventures between the two countries.

Indian business considers Mexico not only as a big market in itself but also as a gateway to the markets of NAFTA and Central America. It is our expectation that Mexican companies would also take advantage of the opportunities offered by the large and growing market of India.

We must also revive the cultural and intellectual interaction between our two countries. Pandurang Khankhoje, an Indian freedom fighter, was Professor of Botany and Crop Breeding in the National School of Agriculture in Mexico. He established the "Free School of Agriculture". He met Pandit Nehru in 1949 as an emissary of the President of Mexico, leading to the establishment of diplomatic relations. The famous revolutionary leader M.N. Roy and the Indian artist Satish Gujral have also lived in Mexico and drawn inspiration. The former Mexican Ambassador to India Octavio Paz made invaluable contribution to Indo-Mexican understanding and cultural dialogue through his poems and writings.

Excellency, our two countries have had fruitful cooperation in the past on regional and international issues. We have worked together on issues of nuclear disarmament and South-South Cooperation. We both condemn terrorism unequivocally. Terrorism is not justified under any circumstances and the international community must unitedly fight this scourge that threatens international peace and security and seeks to undermine free and democratic societies.

Our cooperation continues in the contemporary context, including on matters pertaining to reform and democratization of the United Nations to make it representative of current realities. We must also unite in efforts to bring about a successful conclusion of the Doha Development Round of the WTO so as to ensure that the developmental requirements of the developing countries are fully met. Our collaboration on issues such as climate change and energy security must be strengthened.

Distance separates us but our worldviews are similar. This enables us to find common ground to address issues confronting us. We look forward to strengthening such cooperation.

Excellency, during your current state visit to India, the determination of our two countries to give depth and greater substance to our relationship is

reflected in our agreement to establish between our two countries a Privileged Partnership. It will be our endeavour that this Partnership flourishes to the benefit of our two peoples.

In conclusion, may I propose a toast: -

- U to the health of the President of Mexico and Madam Calderon,
- U to the prosperity of the Mexican people, and
- U to greater friendship and cooperation between India and Mexico.



510. Treaty of Extradition between the Government of the Republic of India and the Government of the United Mexican States.

New Delhi, September 10, 2007.

The Government of the Republic of India and the Government of the United Mexican States hereinafter referred to as "The Parties";

ENCOURAGED by the desire to further strengthen the friendly relations between the parties;

DESIRING to improve the effectiveness of the cooperation between both countries in the prevention and suppression of crime;

CONSCIOUS of the importance of the cooperation in the fight against crime and granting each other assistance on reciprocal extradition of offenders;

RECOGNIZING that concrete steps are necessary to combat terrorism;

BASED on mutual respect for the sovereignty and equality between the States;

Have agreed as follows:

ARTICLE 1
Obligations to Extradite

1. Each Party undertakes to extradite to the Other, in the circumstances and subject to the conditions specified in this Treaty, any person who, being accused or sentenced of an extradition offence as

described in Article 2, committed within the territory of a Party, is found within the territory of the other Party, whether such offence was committed before or after the entry into force of this Treaty.

2. Extradition shall also be available in respect of an extradition offence as described in Article 2 committed outside the territory of the Requesting Party but in respect of which it has jurisdiction if the Requested Party would, in similar circumstances, have jurisdiction over such an offence. In such circumstances the Requested Party shall have regard to all the circumstances of the case including the seriousness of the offence.
3. In addition, extradition shall be available for an extradition offence as described in Article 2:
 - a) If it is committed in a third State by a national of the Requesting Party and this Party bases its jurisdiction on the nationality of the offender; and
 - b) If it occurred within the territory of the Requested Party; and it would an offence under the national legislation of that Party punishable with imprisonment for a term of at least one (1) year.

ARTICLE 2 EXTRADITION OFFENCE

1. An extradition offence for the purposes of this Treaty is constituted by a conduct, which pursuant to the national legislation of each Party is punishable by a term of imprisonment for a period of at least one (1) year.
2. An offence may be an extradition offence notwithstanding that it relates to taxation or revenue or is one of a purely fiscal character.
3. If the extradition is requested for the serving of sentence imposed in the Requesting Party, the duration of the sentence left to be served shall be at least for six (6) months.
4. For the purpose of this Treaty, extradition shall be considered in respect of extraditable crimes included in multilateral conventions to which both States are Parties.

ARTICLE 3
Central Authorities

1. All requests under this Treaty shall be made by the Central Authorities of the Parties through Diplomatic Channels.
2. For the Republic of India the Central Authority is the Ministry of External Affairs and in the United Mexican States the Central Authority is the Ministry of Foreign Affairs.

ARTICLE 4
Composite Offences and Dual Criminality

Extradition shall be available in accordance with this Treaty for an extradition offence, notwithstanding that the conduct of the person sought occurred wholly or a part in the Requested Party, if under the national legislation of the Party this conduct and its effects, or its intended effects, taken as a whole, would be regarded as constituting the commission of an extradition offence in the territory of the Requesting Party.

ARTICLE 5
Extradition of Nationals

The Requested Party shall consider the extradition of its nationals. The nationality for this purpose shall be as at the time of the commission of the offence.

Article 6
EXTRADITION OR PROSECUTION

1. The request for extradition may be refused by the Requested Party if the person whose extradition is sought may be tried for the extradition offence in the courts of tribunals of that Party.
2. Where the Requested Party, *refuses* the extradition for the reason set out in paragraph 1 of this Article, it shall submit the case to its competent authorities so that prosecution may be considered. Those authorities shall take their decision in the same manner as in the case of any offence of a serious nature under the national legislation of that Party.
3. If the competent authorities decide not to prosecute in such a case, the extradition shall be reconsidered at the request of the Requesting Party, in accordance with this Treaty.

ARTICLE 7
Political Offence

1. Extradition shall be refused if the offence for which it is requested is an offence of a political character, or related with an offence of political character, according to each Party's national legislation.
2. For the purpose of this Treaty, the following offences shall not be regarded as offences of political character:
 - a) offences under International Conventions to which both States are Parties;
 - b) murder;
 - c) manslaughter or culpable homicide;
 - d) assault occasioning actual bodily harm, or causing injury, maliciously wounding or inflicting grievous bodily harm whether by means of a weapon, a dangerous substance or otherwise;
 - e) the causing of an explosion likely to endanger life or cause serious damage to property;
 - f) the making or possession of an explosive substance by a person to intend either himself or another person to endanger life or cause serious damage to property;
 - g) the possession of a firearm or ammunition by a person who intends either himself or through another person to endanger life;
 - h) the use of a firearm by a person with intent to resist prevent the arrest or prevent the arrest or detention of himself or another person;
 - i) damaging property whether used for public utilities or otherwise with intent to endanger life or with reckless disregard as to whether the life of another would thereby be endangered;
 - j) kidnapping, abduction, false imprisonment or unlawful detention, including the taking of a hostage;

- k) incitement to murder;
- l) any other offence related to terrorism which at the time of the request is under the national legislation of the Requesting Party, not to be regarded as an offence of a political character; and
- m) an attempt on conspiracy to commit any of the foregoing offences or participation as an accomplice of a person who commits or attempts to commit such an offence.

ARTICLE 8
Grounds for Refusal of Extradition

The extradition may be refused:

1. If the person sought is being prosecuted by the Requested Party for the same offence for which the extradition has been requested;
2. If the person sought has been finally acquitted or convicted and sentenced in the Requested Party or a third State for the same offence for which the extradition is requested;
3. If a person who has been convicted of an extradition offence and sentenced to imprisonment or other form of detention for a period of less than six (6) months;
4. Had he been tried in the territory of the Requested Party for the offence for which his extradition is requested, he would have been entitled to be discharged under any rule of the national legislation of the Requested Party relation to previous acquittal or sentence.
5. When the prosecution has become barred by lapse of time according to the national legislation of the Requesting Party.
6. When the Requested Party has well founded reasons to believe that the request for extradition has been presented with the intention to prosecute or punish the person sought, by reason of race, religion or gender.
7. If the offence for which extradition is requested is an offence under military law, which is not also an offence under the ordinary criminal law.

8. If the extradition for the same offence has been previously denied on the same grounds and with regard to the same person.
9. If the offence for which the extradition is requested is Punishable by death under the law of the Requesting Party, and the death-penalty is not provided for Requesting Party gives such assurance as the Requested Party considers sufficient that the death-penalty will not be imposed or carried out.

ARTICLE 9
Postponement of Surrender

1. The request shall be made in writing and accompanied by:
 - a) If criminal proceedings against the person sought are instituted in the territory of the Requested Party, or he is lawfully detained in consequence of criminal proceedings, the decision whether or not to extradite him may be postponed until the criminal proceedings have been completed or he is no longer detained.

ARTICLE 10
Extradition Procedures

The requested shall be made in writing and accompanied by:

- a) as accurate a description as possible of the person sought, together with any other information which would help to establish his identity, nationality and residence, including possible location;
 - b) a statement of facts of the offence for which extradition is requested, and
 - c) the text of national legislation:
 - i) Defining the offence;
 - ii) prescribing the maximum punishment for that offence; and
 - iii) establishment the time limit for the prosecution of the offence.
2. If the request relates to an accused person, it must also be

accompanied by a certified copy of the charging document establishing accusation, the warrant of arrest issued by a Judge, Magistrate or other competent authority in the territory of the Requesting Party and by such evidence as, in accordance with the national legislation of the of the Requested Party would justify his committal for trial if the offence had been committed within the territory of the Requested Party.

3. If the request relates to a person already convicted and sentenced, it shall be accompanied by:
 - a) certified copies of the warrant of arrest, order of conviction and sentence; and,
 - b) a statement that the conviction or sentence was final and showing the remainder of the sentence to be served.
4. If the Requested Party considers that the evidence produced or information applied for the purposes of this Treaty is not sufficient in order to enable a decision to be taken as to the request, additional evidence or information shall be submitted within such time as the Requested Party may require.

ARTICLE 11 Provisional Arrest

1. In urgent cases the person sought may, in accordance with the national legislation of the Requested Party, be provisionally arrested by the competent authorities of the Requested Party. The application shall contain an indication of intention to request the formal extradition of that person and a statement of the existence of a warrant of arrest against him and, if available, his description and such further information, if any, as would be necessary to justify the issue of a warrant of arrest as:
 - a) time and place of the offence committed;
 - b) circumstances of the commission;
 - c) proper information to determine the identity and nationality of the person sought.
2. The request for provisional arrest shall be executed by the

competent authorities of the Requested Party in accordance with its national legislation. The Requesting Party shall be informed of the result of the execution of request.

3. The person arrested provisionally could be released if within a period of sixty (60) days of the arrest of the person sought, the Requested Party has not received the formal request for extradition and the documents required pursuant to Article 10 of this Treaty.
4. The Requesting Party may present a further request even though the provisional arrest has ended. The new request shall be made in accordance with the provisions of this Treaty.

ARTICLE 12 **Documents and Evidence**

1. In all cases the documents submitted in accordance with the provisions of this Treaty shall be authenticated by the competent authority, in accordance with the national legislation of the Requested Party and accompanied by a translation in the official language of the Requested Party or in English.
2. The authorities of the Requested Party shall admit as evidence, in any proceedings for extradition, any evidence taken on oath or by way of affirmation, any warrant and any certificate of, or judicial document stating the fact»of a conviction, if it is authenticated:
 - a)
 - i) in the case of a warrant being signed, or in the case of any original document by being certified, by a judge, Magistrate or other competent authority of the Requesting Party; and
 - ii) either by oath of some witness or by being sealed with the official seal of the appropriate Minister of the Requesting Party; or
 - b) in such other manner as may be permitted by the national legislation of the Requested Party.
3. The evidence described in paragraph (2) shall be admissible in extradition proceedings in the Requested Party whether sworn or affirmed in the Requesting Party or in some third State.

ARTICLE 13
Summary Extradition

If the person sought informs the competent authorities of the Requested Party that he agrees to be extradited, that Party may stop further proceedings, and take all measures for extradition subject to its national legislation in an expeditious manner.

ARTICLE 14
Conflicting Requests

If extradition of the same person is requested, whether for the same or for different offences by the other Party and a third State with whom the Requested Party has extradition arrangement, the Requested Party shall determine to which State the person shall be extradited, and shall not be obliged to give preference to the other party of this Treaty.

ARTICLE 15
Surrender

1. If extradition is granted, the person sought shall be sent by the authorities of the Requested Party to a convenient point of departure from its territory, in consultation with the Requesting Party.
2. The Requesting shall remove the person sought from the territory of the Requested Party within sixty days (60) or such longer period as may be permitted under the national legislation of the Requested Party. If he /she is not removed within that period, the Requested Party may release the person and refuse to extradite him/her for the same offence.

ARTICLE 16
Seizure and Surrender of Property

1. To the extent permitted under its national legislation, the Requested Party may seize and surrender to the Requesting Party, all articles, documents, and evidence connected with the offence in respect of which extradition is granted. The items mentioned in this Article may be surrendered even when the extradition cannot be effected due to the death, disappearance, or escape of the person sought.
2. The Requested Party may condition the surrender of the property upon satisfactory assurances from the Requesting Party that the

property will be returned to the Requested Party as soon as possible. The Requested Party may also defer the surrender of such property if it is needed as evidence in the Requested Party

3. The rights of third parties in such property shall be duly respected.

ARTICLE 17 **Rule of Specialty**

1. Any person who is surrendered to the Requesting Party under this Treaty shall not be, during the period described in paragraph (2) of this Article, arrested, imprisoned or tried within the territory of the Requesting Party for or in respect of any offence committed before he was extradited to that territory other than;
 - a. the offence in respect of which he was extradited;
 - b. any lesser offence disclosed by the facts proved for the purposes of securing his surrender other than an offence in relation to which an order for his extradition could not lawfully be made; or
 - c. any other offence in respect of which the Requested Party may consent to his arrest, imprisonment or trial concerning the offence other than an offence in relation to which an order for his extradition could not lawfully be made or would not in fact be made.
2. The period referred to in paragraph (1) of this Article is period beginning with the day of his arrival in the territory of the Requesting Party or his extradition under this Treaty and ending forty-five (45) days after the first subsequent day on which he has the opportunity to leave the territory of the Requesting Party.
3. The provisions of paragraph (1) of this Article shall not apply to offences committed after the return of a person under this Treaty or matters arising in relation to such offences.

ARTICLE 18 **Re-Extradition**

A person shall not be re-extradited to a third State, except when, having had an opportunity to leave the territory of the State to which he has been surrendered, he has not done so within sixty (60) days of his final discharge,

or has returned to that territory after having left it.

ARTICLE 19
Expenses

Expenses incurred in the territory of the Requested Party on account of the execution of the request for extradition shall be borne by that Party. The expenses on account of the transfer of the fugitive shall be borne by the requesting Party.

ARTICLE 20
Obligation under International Conventions

The present Treaty shall not affect the rights and obligations of the Parties in respect of extradition arising from International Conventions/Treaties to which both are States Parties.

ARTICLE 21
Consultations

Any difference arising out of the application, interpretation or implementation of the present Treaty shall be resolved amicably through consultations between the Central authorities.

ARTICLE 22
Transit

1. Either Party may authorize transportation through its territory of a person surrendered to the other Party by a third State. A request for transit shall be made through diplomatic channels. It shall contain a description of the person being transported and a brief statement of the facts of the case. A person in transit may be detained in custody during the period of transit.
2. No authorization is required where air transportation is used and no landing is scheduled on the territory of the Party. In case of an unscheduled landing on the territory of one Party, the other Party may require the request for transit as provided in paragraph 1. That Party shall detain the person to be transported until the request for transit is received and the transit is effected, so long as the request is received within ninety-six (96) hours of the unscheduled landing.

ARTICLE 23
Final Provisions

1. This Treaty is subject to ratification and the instruments of ratification shall be exchanged as soon as possible.
2. This Treaty shall enter into force on the thirtieth (30th) day after the exchange of the instruments of ratification.
3. This Treaty may be amended by mutual consent.
4. Either Party may terminate this Treaty. The termination shall take effect six (6) months from the date on which it was notified to the other Party.
5. The request for extradition received prior to its termination shall be considered under this Treaty.

Signed in duplicate at New Delhi this the tenth day of September 2007 in Hindi, Spanish and English, all texts being equally authentic. In case of any divergence, the English text shall prevail.

**For the Government of
The Republic of India**

**For the Government of the
United Mexican States.**



511. Treaty between the Government of the Republic of India and the Government of the United Mexican States on Mutual Legal Assistance in Criminal Matters.

New Delhi, September 10, 2007.

The Government of the Republic of India and the Government of the United Mexican States hereinafter referred to as “the Contracting Parties”;

GUIDED by the traditional friendly relations between both countries:

RECOGNISING the need to facilitate the widest measure of assistance in the service of summons, execution of warrants and other judicial documents and commissions;

DESIRING to improve the effectiveness of both countries in the investigation, prosecution and suppression of crime, including terrorism and tracing, restraint, seizure and forfeiture of funds meant for financing acts of terrorism as also, the proceeds and instruments of crime, through cooperation and mutual legal assistance in criminal matters:

HAVE agreed as follows:

**ARTICLE 1
SCOPE OF APPLICATION**

1. The Contracting Parties shall, in accordance with this Treaty, provide each other with the widest measure of mutual legal assistance in criminal matters.
2. Mutual legal assistance is any assistance given by either Contracting Party in respect of investigations, prosecutions or proceedings to the other Contracting Party in criminal matters, irrespective of whether the assistance is sought or is to be provided by a Tribunal or Court or some other authority.
3. Assistance shall be provided without regard to whether the conduct which is the subject of the investigation, prosecution or proceedings in one Contracting Party would constitute an offence under the laws of the other Contracting Party.
4. Assistance shall include:
 - a) locating and identifying persons and objects;

- b) serving documents, including documents seeking the attendance of persons;
 - c) providing information, documents and records;
 - d) providing objects, including lending exhibits;
 - e) taking evidence and obtaining statements, including expert's opinion ;
 - f) authorizing the presence of persons from one Contracting Party at the territory of the other Contracting Party for the execution of a request;
 - g) making detained persons available to give evidence or assist investigations;
 - h) facilitating the appearance of witnesses or the assistance of persons in investigations;
 - i) search and seizure;
 - j) taking measures to locate, restrain or forfeit the proceeds and instruments of crime;
 - k) providing of information by either Contracting Party *suo moto* to the other, which may be within its knowledge and can be of use of the other Contracting Party;
 - l) taking measures to locate, freeze, seize and forfeit any funds or finances meant for the financing of acts of terrorism in the territory of either Contracting Party;
 - m) any other form of assistance not prohibited by the national of the Requested Party.
5. This Treaty shall also apply to any requests for legal assistance relating to acts or omissions committed before its entry into force.
6. This Treaty does not empower one Contracting Party's authorities to undertake, in the territorial jurisdiction of the other, the exercise and performance of the functions or authority exclusively entrusted to the authorities of that other Contracting Party by its national laws or regulations.

ARTICLE 2 DEFINITIONS

1. For the purpose of this Treaty:
 - a) for the Republic of India, criminal matters mean, investigations, inquiries, trials or other proceedings relating to an offence created by law of Parliament or by the legislature of a State and for the United Mexican States, criminal matters mean investigations or proceedings relating to any offence under any Federal or State law.
 - b) criminal matters shall also include investigations or proceedings relating to offences concerning taxation, duties, customs, foreign exchange and international transfer of capital or payments.
2.
 - a) “proceeds of crime” means any property derived or obtained directly or indirectly by any person or organization as a result of an offence, including crime involving money laundering or the value of any such property.
 - b) “property” means assets, whether corporeal or incorporeal, movable or immovable, tangible or intangible and deeds and instruments evidencing title to or interest in such assets derived or used in the commission of an offence include the ones obtained through proceeds of crime;
 - c) “forfeiture” means any legal measure resulting in the deprivation of property;
 - d) “instruments of crime” means any property which is or is intended to be used in connection with the commission of an offence;
 - e) “seizure of property” means any measure for the prevention of dealing in or transfer or disposal of property; and
 - f) “assistance” means legal assistance under this Treaty.
3. a) “Requesting Party” means the Contracting Party that makes the request for mutual legal assistance in criminal matters.

- b) "Requested Party" means the Contracting Party to whom the request is made.

**ARTICLE 3
CENTRAL AUTHORITIES**

1. Requests for assistance under this Treaty shall be made through the Central Authorities of the Contracting Parties.
2. For the Republic of India the Central Authority shall be the Ministry of Home Affairs and in the United Mexican States the Central Authority shall be the Office of the Attorney General.
3. Any change or addition in the Central Authorities shall be notified by either Contracting Party through diplomatic channels.

**ARTICLE 4
CONTENTS OF REQUESTS**

1. Requests for assistance under this Treaty shall be made in writing. However, in urgent circumstances, or where otherwise permitted by the Requested Party, requests may be made orally or by any electronic means such as electronic e-mail or facsimile, with the understanding that it shall be formalized in writing within thirty (30) days, after the request was made.
2. Requests for assistance shall include a statement of:
 - a) the name of the competent authority conducting the investigation or proceedings to which the request relates;
 - b) the matters, including the relevant facts and laws, to which the investigation or proceeding relates;
 - c) the purpose for which the request is made and nature of the assistance sought;
 - d) details of any particular procedure or requirement that the Requesting Party wishes to be followed and the reasons therefor;
 - e) any time limit within which compliance with the request is desired;

- f) the identity, nationality and location of the person or persons who are the subject of the investigation or proceedings;
- g) in the case of requests for the taking of evidence or search and seizure, or the location, restraint or forfeiture of proceeds of crime or funds meant for financing of acts of terrorism, a statement indicating the basis for belief that evidence may be found in the jurisdiction of the Requested Party;
- h) in the case of requests to take evidence from a person, a statement as to whether sworn or affirmed statements are required and a description of the subject matter of the evidence or statement sought;
- i) in the case of lending of exhibits, the persons or class of persons who will have custody of the exhibit, the place to which the exhibit is to be removed, any tests to be conducted and the date by which the exhibit will be returned;
- j) the person or class of persons which will have custody during the transfer, the place to which the detained person is to be transferred and the date of that person's return;
- k) in case that request is intended to receive a statement from a person in the territory of the Requested Party, the Requesting Party shall send the respective questionnaire in writing;
- l) the need, if any, for confidentiality and the reasons therefor; and
- m) in the case of request for seizure or forfeiture of proceeds or instruments of crime, including seizure and forfeiture of funds meant for financing acts of terrorism where possible:
 - (i) a detailed description of the proceeds or instrument including their location
 - (ii) a statement describing the basis for belief that the monies or property are the proceeds or instruments of crime including seizure and forfeiture of funds meant for financing acts of terrorism; and
 - (iii) a statement describing the evidence that would be available for proceeding in the Requested Party.

3. If the Requested Party considers that additional information is needed to enable the request to be dealt with, that Contracting Party may request such additional information.
4. The Requested Party shall not refuse to execute the request solely because it does not include all of the information prescribed under this Article if it can otherwise be executed according to the national law of the Requested Party.

ARTICLE 5 EXECUTION OF REQUEST

1. Requests for assistance shall be executed in accordance with the national legislation of the Requested Party and may be executed in accordance with any requirements specified in the request if not incompatible with its national legislation.
2. The Requested Party shall, upon request, inform the Requesting Party of any circumstances, which are likely to cause a significant delay in the execution of the request.
3. The Requested Party shall, inform the Requesting Party of the date and the place of execution of the request for assistance.
4. The Requested Party shall not refuse to execute a request on the ground of bank secrecy.
5. The Central Authority of the Requested Party shall communicate as soon as possible the result of its proceedings to the Central Authority of the Requesting Party.

ARTICLE 6 REFUSAL OR POSTPONEMENT OF ASSISTANCE

1. Assistance may be refused if, in the opinion of the Requested Party, the execution of the request would impair its sovereignty, security, public order, essential public interest or prejudice the safety of any person.
2. Assistance may be refused if the execution of the request would be contrary to the national law of the Requested Party.
3. Assistance may be refused if the request relates to an offence in respect of which the accused person had been finally acquitted or pardoned,

4. Assistance may be refused if the request seeking seizure, forfeiture of proceeds of crime or seizure of property is in respect of any conduct/activity it which cannot be made basis for such seizure or forfeiture in the Requested Party.
5. Assistance may be postponed by the Requested Party if execution of the request would interfere with an ongoing investigation or prosecution in the Requested Party.
6. The Requested Party shall promptly inform the Requesting Party of the decision of the Requested Party not to comply in whole or in part the request for assistance or either to grant or postpone execution of the request and shall give reasons for that decision.
7. The request for assistance may be refused if it relates to a political offence or an offence of a political nature. For the purpose of this Treaty, the following offences shall not be regarded as offences of political character:
 - (a) offences under International Conventions to which both States are Parties;
 - (b) murder;
 - (c) man slaughter or culpable homicide;
 - (d) assault occasioning actual bodily harm, or causing injury, maliciously wounding or inflicting grievous bodily harm whether by means of a weapon, a dangerous substance or otherwise;
 - (e) the causing of an explosion likely to endanger life or cause serious damage to property;
 - (f) the making or possession of an explosive substance by a person to intend either himself or another person to endanger life or cause serious damage to property;
 - (g) the possession of a firearm or ammunition by a person who intends either himself or through another person to endanger life;
 - (h) the use of a firearm by a person with intent to resist or prevent the arrest or detention of himself or another person;
 - (i) damaging property whether used for public utilities or otherwise

- with intent to endanger life or with reckless disregard as to whether the life of another would thereby be endangered;
- (j) kidnapping, abduction, false imprisonment or unlawful detention. including the taking of a hostage;
 - (k) incitement to murder;
 - (l) any other offence related to terrorism which at the time of the request is under the national legislation of the Requesting Party, not to be regarded as an offence of a political character; and
 - (m) an attempt or conspiracy to commit any of the foregoing offences or participation as an accomplice of a person who commits or attempts to commit such an offence.
8. Before refusing a request for assistance or before postponing the execution of a request, the Requested Party shall consider whether assistance may be provided subject to such conditions as it deems necessary. If the Requesting Party accepts assistance subject to those conditions, it shall comply with them.

ARTICLE 7
TRANSMISSION OF DOCUMENTS AND OBJECTS

1. When the request for assistance concerns the transmission of records and documents, the Requested Party may transmit certified true copies.
2. The Requested Party may provide any information, copies of documents and records and objects in the possession of a government department or agency, but not publicly available, to the same extent and under the same conditions as they would be available to its own enforcement and judicial authorities.
3. The original documents and the objects transmitted to the Requesting Party shall be returned to the Requested Party as soon as possible, upon the latter's request.
4. Insofar as not prohibited by the national legislation of the Requested Party, documents, objects and records shall be transmitted in a form or accompanied by such certification as may be requested by the Requesting Party in order to make them admissible according to the national legislation of the Requesting Party.

**ARTICLE 8
TAKING EVIDENCE IN THE REQUESTED PARTY**

1. Any person, including a person in custody or detention, requested to testify and produce documents, records or other articles in the Requested Party may be compelled by subpoena or order to appear and testify and produce such documents, records and other articles, in accordance with the national legislation of the Requested Party.
2. Subject to the national law of the Requested Party, commissions or other officials of the Requesting Party shall be permitted to be present when evidence is taken in the Requested Party and to participate in the manner as may be permissible.
3. The presence and participation of representatives shall have to be previously authorized by the Requested Party, which will inform the Requesting Party before the execution of the request.
4. The Requesting Party shall submit a list of the names, designation and reasons for the presence of its representative within a reasonable time frame before the execution of the request.

**ARTICLE 9
VIDEO CONFERENCING**

On request, the Requested Party may facilitate examination of a | witness or an expert before its judicial authority or other competent authority, by means of video conferencing, in conformity with its national ; law and procedure.

**ARTICLE 10
AVAILABILITY OF PERSONS TO GIVE EVIDENCE OR ASSIST IN
INVESTIGATION IN THE REQUESTING PARTY**

The Requesting Party may request that a person be made available to testify or to assist in an investigation. The Requested Party shall invite the person to assist in the investigation or to appear as a witness in the proceedings and seek that person's concurrence in writing thereto. That person shall be informed in advance, of any expenses and allowances payable by the Requesting Party.

**ARTICLE 11
MAKING DETAINED PERSONS AVAILABLE TO GIVE EVIDENCE OR
ASSIST IN INVESTIGATIONS**

1. A person in custody in the territory of the Requested Party shall, at

request of the Requesting Party, be temporarily transferred to the Requesting Party to assist in investigations or proceedings, provided that the person consents to that transfer and there are no overriding grounds against transferring the person.

2. Where the person transferred is required to be kept in custody under the national legislation of the Requested Party, the Requesting Party shall hold that person in custody and shall return the person in custody at the conclusion of the execution of the request.
3. The initial term of transfer shall not exceed ninety (90) days, which, upon justified request of the Requesting Party, may be extended by the Requested Party.
4. Where the sentence imposed expires, or where the Requested Party advises the Requesting Party that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as a person in the territory of the Requesting Party under Article 10 of this Treaty.
5. The time spent in the custody within the territory of the Requesting Party shall be computed towards the sentence, which was imposed by the Requested Party.

ARTICLE 12 SAFE CONDUCT

1. A person, including a person in custody or detention, present in the territory of the Requesting Party in response to a request seeking that person's presence shall not be prosecuted, detained or subjected to any other restrictions of personal liberty in that State for any acts or omissions which preceded that person's departure from the Requested Party, nor shall that person be obliged to give evidence in any proceeding other than the proceedings to which the request relates.
2. Paragraph 1 of this Article shall cease to apply if a person, being free to leave the territory of the Requesting Party, has not left it within a period of thirty (30) days after being officially notified that that person's presence is no longer required or, having left that territory, has voluntarily returned.
3. Any person who fails to appear in the territory of the Requesting

Party shall not be subject to any sanction or compulsory measure in the Requested Party.

ARTICLE 13 SERVICE OF DOCUMENTS

1. The Requested Party shall serve the documents sent by the Requesting Party. This service can be carried out by simple transmission of the documents to the addressee. If the Requesting Party expressly requests, the service shall be effected in accordance with the procedures established by its national legislation for similar documents or in any other manner compatible with its legislation.
2. The service shall be proved by a signed and dated receipt of the addressee or by a statement of the Requested Party certifying the fact, manner and date of service. The proof of service shall be transmitted immediately to the Requesting Party. If the Requested Party is unable to effect the service, it shall communicate the reasons for the same to the Requesting Party.
3. The Requesting Party shall transmit a request for the service of a document pertaining to a response or appearance in the Requesting Party within a reasonable time, before the scheduled response or appearance.

ARTICLE 14 PROCEEDS AND INSTRUMENTS OF CRIME

1. The Requested Party shall, upon request, endeavour to ascertain whether any proceeds or instruments of a crime are located within its jurisdiction and shall notify the Requesting Party of the results of its inquiries.
2. The Requested Party shall, upon the request of the Requesting Party, execute a request for a search and seizure in accordance with its national laws.
3. Search and seizure shall be conducted by the Requested Party to the same extent and under the same conditions as to be got done for its own law enforcement and judicial authorities in accordance with its law.
4. The competent authority that has executed a request for a search

and seizure shall provide such information as may be required by the Requesting Party concerning, but not limited to, the identity, condition, integrity and continuity of possession of the documents, records or objects seized and the circumstances of the seizure.

5. Proceeds or instruments seized or forfeited pursuant to this Treaty shall accrue to the Requested Party, unless otherwise agreed.

ARTICLE 15 CONFIDENTIALITY

1. The Requested Party may require, after consultation with the Requesting Party, that information or evidence furnished or the source of such information or evidence be kept confidential, disclosed or used only subject to such terms and conditions as may be specified by the Requested Party.
2. The Requesting Party may require that the requests, its contents, supporting documents and any action taken pursuant to the request be kept confidential. If the request cannot be executed without breaching the confidentiality requirement, the Requested Party shall so inform the Requesting Party prior to executing the request and the latter shall then determine whether the request should nevertheless be executed.

ARTICLE 16 LIMITATION OF USE

The Requesting Party shall not disclose or use information or evidence furnished for purposes other than those stated in the request without the prior consent of the Requested Party.

ARTICLE 17 AUTHENTICATION

1. For the purposes of this Treaty, the documents acknowledged as official in the territory of one Contracting Party shall be acknowledged as official in the territory of the other Contracting Party.
2. Documents, records or objects transmitted pursuant to this

Treaty shall not require any form of authentication, except as specified in Article 7, or as required by the Requesting Party.

ARTICLE 18 LANGUAGE

Requests, supporting documents and other communications made pursuant to this Treaty shall be in the language of the Requested Party or in English.

ARTICLE 19 EXPENSES

1. The Requested Party shall meet the expense of executing the request for assistance, nevertheless the Requesting Party shall bear:
 - a) the expenses associated with conveying any person to or from the territory of the Requested Party at the request of the Requesting Party, and any allowance or expenses payable to that person while in the Requesting Party pursuant to a request under Article 10 or 11 or this Treaty; and
 - b) the expenses and fees of experts either in the Requested Party or the Requesting Party.
2. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Parties shall consult to determine the terms and conditions under which the requested assistance can be provided.

ARTICLE 20 CONSULTATION

The Central Authorities of the Contracting Parties shall consult, at times mutually agreed to by them, to promote the most effective implementation of this Treaty. The Central Authorities may also agree on such practical measures as may be necessary to facilitate the implementation of this Treaty.

ARTICLE 21 OTHER INSTRUMENTS

Assistance and procedures set forth in this Treaty shall not prevent either Contracting Party from granting assistance to the other Contracting Party

through the provisions of other applicable international conventions/ agreements, or through the provisions of its national law. The Parties may also provide assistance pursuant to any bilateral arrangement, agreement or practice which may be applicable.

**ARTICLE 22
SETTLEMENT OF DISPUTES**

Any difference or dispute arising out of the application, interpretation or implementation of this Treaty shall be resolved amicably by negotiations and mutual consultations.

**ARTICLE 23
FINAL PROVISIONS**

1. This Treaty is subject to ratification and the instruments of ratification shall be exchanged as soon as possible.
2. This Treaty shall enter into force on the thirtieth (30th) day after the exchange of instruments of ratification.
3. This Treaty may be amended by mutual consent. Any such amendment shall enter into force thirty (30) days after the receipt of the later communication intimating the completion by the Contracting Parties of their internal procedure for the entry into force of the amendment through diplomatic channels.
4. Either Contracting Party may terminate this Treaty. The termination shall take effect six (6) months from the date on which it is notified through diplomatic channels to the other Contracting Party.
5. The requests for assistance made before termination of this Treaty shall be considered even if this Treaty has been terminated.

Signed at New Delhi this the 10th day of September 2007 (Two thousand and Seven) in three originals each, Hindi, Spanish and English, all texts being equally authentic. However, in case of divergence, the English text shall prevail.

**For the Government of
The Republic of India**

**For the Government of the
United Mexican States.**



PERU

512. Press Release of the Ministry of External Affairs announcing relief after the earthquake in Peru.

New Delhi, August 23, 2007.

The Government of India has decided to give a cash donation of Rs.2 crores to the Government of Peru as disaster relief after the recent tragic earthquake in that country. Earlier, a condolence message was sent by President of India to the Peruvian President.



INDIA'S FOREIGN RELATIONS - 2007

SECTION-VII

EUROPE

BELARUS

513. Press Release of the Ministry of External Affairs on the State visit of President of Belarus Aleksandr Lukashenko.

New Delhi, April 16, 2007.

The President of Belarus, H.E. Mr. Aleksandr Lukashenko paid a State visit to India from April 15-16, 2007. He was accompanied by a high level delegation consisting of five Ministers and Chairmen of State Committees on Science & Technology and Military-Industry. The members of the delegation are listed at Annex I. A group of leading Belarus businessmen is also visiting India to coincide with this visit. Names of business representatives and their company affiliations are detailed in Annex II.

The President of Belarus met the Indian President, Vice President, Prime Minister and External Affairs Minister. The two sides reviewed bilateral relations and exchanged views on issues of international and mutual interest. A Joint Statement was adopted on the visit of the President of Belarus. Five agreements were concluded during the visit; a list of these agreements is at Annex III.

The Minister of Interior of Belarus, Mr. Vladimir Naumov met the Minister of Home Affairs, Shri. Shivraj Patil to exchange views and discuss areas of mutual interest. The fourth meeting of the Joint Committee on Science & Technology led by the Chairman of the Belarus State Committee on Science & Technology, Mr. Vladimir Matyushkov and Secretary, Department of Science & Technology, Mr. T. Ramasami reviewed bilateral scientific and technological cooperation and implementation of joint projects. The Chairman of State Military and Industrial Committee, Mr. Nikolai Azamatov met the Scientific Advisor to Raksha Mantri, Shri. M. Natarajan. Mayor of Minsk, Mr. Mikhail Pavlov met the Chief Minister of Delhi, Smt. Sheila Dikshit.

The fourth meeting of the India - Belarus Joint Business Council, which was organised by FICCI was held on April 16, 2007 and was attended by leading businessmen from both sides.



514. Press Release of the Ministry of Home Affairs on the meeting of Home Minister Shivraj Patil with the Belarus Interior Minister Vladimir Naumov.

New Delhi, April 16, 2007.

The Belarus Interior Minister, Mr. Vladimir Naumov met the Union Home Minister, Shri Shivraj Patil here today. The two leaders expressed satisfaction over the current level of understanding between the two countries and expressed the desire to further strengthen the bilateral relations. During the meeting, various issues including those relating to security were discussed. Shri Patil informed the visiting Minister that India has suffered a lot due to terrorism, but has been able to contain the menace. He expressed satisfaction over the fact that there is growing international realization now about the need to contain terrorism. The Union Home Minister also briefed the Belarus Interior Minister about the working of his Ministry, particularly in the sphere of Centre-State relations. Shri Patil accepted Mr. Naumov's invitation to visit Belarus.

The meeting lasted about 45 minutes



515. Speech of President Dr. APJ Abdul Kalam at the banquet in honour of Belarus President Aleksandr G.Lukashenko.

New Delhi, April 16, 2007.

Your Excellency, Mr. Aleksandr G. Lukashenko,

President of the Republic of Belarus,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to welcome you and your delegation to India. I am very happy to note that your visit is taking place at the time of the 15th anniversary of the establishment of diplomatic relations between our two countries.

Excellency, India regards Belarus as a close and traditional friend. We recall with satisfaction your earlier visit to India in September 1997. It resulted in substantial growth in our bilateral ties in various spheres. Your present visit would, undoubtedly, impart further impetus to the multifaceted ties between our two countries for the mutual benefit of our peoples.

Mr. President, I recall my visit to your beautiful country in 1998 when I was fortunate to interact with the highly talented members of the Belarusian scientific community, universities, labs and other friends of India. The visit left me with warm memories and a lasting impression of your country's achievements and capabilities. I am glad to note that the process of our scientific cooperation has since grown both in range and depth.

Mr. President, I have learnt about your productive and useful discussions with our Prime Minister on various issues of common interest. Our ongoing cooperation, particularly in the spheres of defense, science & technology, trade and investment are important reflections of our close relations. I am confident that this cooperation will further intensify in the years ahead through measures such as direct lab-to-lab joint programmes.

We have watched with admiration the sustained progress made by Belarus since its independence in 1991. Belarus today is stronger, both politically and economically, and is playing an active role on the international stage, including as a member of the Non-Aligned Movement. Belarus should be justly proud of being among the rapidly growing economies of the region.

Excellency, India too is making all-round progress. Our high growth rate and technological capabilities provide a vast array of opportunities for enhancing economic ties between our two countries. To sustain a high rate of growth, India faces the challenge of meeting its rapidly rising energy demand. We expect to use nuclear power as an important element, in this direction as it is near clean energy. In this context, we greatly appreciate the Belarus approach, as a member of the Nuclear Suppliers Group, to support full international civil nuclear energy cooperation with India.

Mr. President, our bilateral trade and economic cooperation, though growing steadily, is still below its potential. There is a need for us to raise the intensity of our efforts to increase two-way trade and economic cooperation and set a target of 500 million dollars of bilateral trade by 2010. Both countries should encourage use of mutual synergies in new areas, including through the setting up of joint ventures in sectors such as mining, heavy engineering and knowledge-based enterprises. We would especially like to

have joint ventures in the areas of heavy road making equipment and in the pharma sector.

Excellency, it is a matter of particular satisfaction that both our countries have been cooperating with each other at the UN and other multilateral fora in a constructive and result-oriented manner. In our rapidly globalizing world, threats and challenges such as terrorism, fundamentalism and extremism must be neutralized effectively through universal commitment and cooperation. We stand firm in condemning all forms and manifestations of terrorism.

In conclusion, I would like to say that there are immense opportunities for all developing countries in the world to grow to their full potential utilizing the resources available among themselves. In this context, human resource development assumes particular importance. India is a country that offers a variety of opportunities in capacity building and for specialized skill development especially in areas like IT etc. Such opportunities enable people-to-people interaction on a sustained basis. India stands ready with its hand of cooperation extended to strengthen people-to-people bonds between India and Belarus.

Excellencies, Ladies and Gentlemen, may I now request you to join me in a toast to:-

- U the peace, prosperity and well being of the friendly people of Belarus;
- U the good health and prosperity of His Excellency President Aleksandr G. Lukashenko, and;
- U the enduring friendship between India and Belarus.



516. Joint Statement on the visit of the President of the Republic of Belarus A.G. Lukashenko.**New Delhi, April 16, 2007.**

At the invitation of the President of India, H.E. Dr. A.P.J. Abdul Kalam, the President of the Republic of Belarus, H.E. Mr. A.G. Lukashenko, paid a State visit to the Republic of India on April 15 -16, 2007.

2. During the visit, the President of the Republic of Belarus had meetings with the President of India, Dr. A.P.J. Abdul Kalam, Vice President of India, Shri Bhairon Singh Shekhawat, Prime Minister of India, Dr. Manmohan Singh and the External Affairs Minister, Shri Pranab Mukherjee.
3. The talks were held in a warm and cordial atmosphere. Both sides noted with satisfaction the close and friendly relations between India and Belarus, the friendship between the two peoples and shared views and understanding on various international issues. The two sides reviewed the present state and future prospects of India-Belarus relations, and exchanged views on matters of mutual interest. It was noteworthy that the visit coincided with the 15th anniversary of the establishment of diplomatic relations between India and Belarus (on April 17, 2007).
4. The two sides noted that high-level visits impart a positive impetus to bilateral cooperation by further strengthening the political and economic aspects of their relationship, mutual trust and traditional friendship between the people of the two countries. The two sides expressed their readiness to further strengthen their ties through mutual visits at all levels in order to provide a fresh impetus to India-Belarus relations.
5. Recognizing the benefits of long term partnership, the two sides agreed to the further strengthening and diversifying of their cooperation in various fields. They stressed the importance of new initiatives in the spheres of trade, economy, science & technology and two-way investment, including the setting-up of joint ventures and industrial applications of jointly developed technologies. The two sides noted the importance of further diversifying and strengthening the ways and means of economic and financial co-operation through coordinated efforts.

6. The two sides noted with satisfaction the successful completion of bilateral negotiations culminating in the signing of a bilateral Protocol on Belarus' accession to World Trade Organization.
7. It was reiterated that bilateral relations are based on the principles of peaceful co-existence, mutual trust and understanding aimed at fulfilling the interests of the two countries and their peoples. The importance of cooperation in various spheres based on co-ordination and interaction between the Ministries, Departments and other entities concerned was highlighted by the two sides.
8. India and Belarus acknowledged the prospects of strengthening bilateral defence cooperation and agreed to set-up an India-Belarus Joint Commission on military-technical cooperation.
9. The two sides stressed that independence, sovereignty, non-interference in the internal affairs of other countries and territorial integrity are fundamental principles governing international relations. The two sides agreed that harmonious co-existence and democratization of international relations contribute to the strengthening of global stability and security. Both sides fully support the establishment of a multi-polar world order which could guarantee progress, development, security and stability for all countries. They agreed that it is important to respect the diversity of the development models of different countries and shared the view that relations between states and co-operation among them in today's globalizing world must be based on this approach. India acknowledged the policies followed by Belarus as a sovereign state and its model of development and supported Belarus' efforts aimed at protecting its sovereignty and national dignity and contributing to its social and economic development.
10. The two sides stressed that activities aimed at strengthening a central and coordinating role of the UN in achieving peace, stability and security all over the world, and at enhancing the authority and efficiency of the UN, constitute important elements of India-Belarus cooperation at the international level.
11. The two sides agreed on the need for greater efforts by all member countries to accelerate the process of UN reform, including the expansion of the Security Council, in both permanent and non-permanent categories of membership, so as to reflect contemporary

realities. In this context, Belarus reaffirmed its support to India as a candidate with strong credentials for permanent membership in an expanded UN Security Council.

12. In the context of regional conflicts, both sides agreed that political and diplomatic reconciliation should be achieved by adopting dialogue and negotiations as a norm in inter-governmental relations.
13. The two sides expressed concern about the negative effects of slavery and human trafficking and reiterated their commitment to work towards combating this phenomenon.
14. The two sides supported efforts aimed at promoting peace and stability and economic reconstruction in Iraq.
15. The two sides expressed hope that the issue of Palestine will be resolved through peaceful negotiations, resulting in a sovereign, independent viable State of Palestine, within recognized and well-defined borders, living at peace with the State of Israel, and in line with relevant UN Security Council resolutions, within a reasonable time-frame.
16. India and Belarus supported further strengthening of the activities of the Non-Aligned Movement, the principle of solidarity within the Non-Aligned Movement, the commonality of positions of the NAM members in the United Nations Organization & other international organizations and furthering interaction among its member countries, particularly in the areas of trade and economic co-operation.
17. Both sides stated that terrorism in all its manifestations poses a serious threat to global peace and stability and that India and Belarus will further strengthen cooperation both bilaterally as well as in the multilateral context to combat this phenomenon. In this context, they called upon all member states to step up efforts to conclude a Comprehensive Convention on International Terrorism (CCIT) at the United Nations expeditiously.
18. Both India and Belarus, as responsible members of the international community, reiterated their commitment to the objective of non-proliferation of weapons of mass destruction and their means of delivery.

19. The two sides recognized that nuclear energy is a viable, long-term, economical and environmentally-sound means for electric power generation. The two sides expressed their intention to broaden and strengthen co-operation in the field of peaceful uses of atomic energy. The two sides recognized the importance of the application of innovative technologies in the nuclear sphere. The participation of India and Belarus in an international project on innovative nuclear reactors being implemented under the aegis of the IAEA is an example of effective international co-operation in this regard.
20. Belarus will continue to work with the participating Governments of the Nuclear Suppliers Group in order to create conditions for the expansion of the framework for co-operation with India in the field of peaceful uses of atomic energy.
21. With a view to further enhancing the mutually beneficial ties between India and Belarus in different spheres of co-operation, the following documents were signed at the conclusion of the talks between the two sides:
 - U Treaty on Extradition;
 - U Agreement on cooperation in the field of Agriculture;
 - U Programme of Cooperation in the field of culture, arts, education, mass media and press for 2007-09;
 - U Executive Programme of Cooperation in the field of Science & Technology for the period 2007-10;
 - U Protocol on the accession of the Republic of Belarus to the World Trade Organization.
22. The President of the Republic of Belarus, H.E. Mr. A.G. Lukashenko expressed his gratitude to the Indian Side for the warm reception accorded to him and invited the President of India Dr. A.P.J. Abdul Kalam and the Prime Minister of India Dr. Manmohan Singh to visit Belarus. The invitations were accepted with pleasure.



517. Treaty of Extradition between the Republic of India and the Republic of Belarus.

New Delhi, April 16, 2007.

The Republic of India and the Republic of Belarus, hereinafter referred to as the 'Parties'; /

Desiring to make more effective the cooperation of the two countries in the suppression of crime by making further provision for the reciprocal extradition of offenders;

Recognising that concrete steps are necessary to combat crime including terrorism;

Have agreed as follows:

**Article 1
Duty to Extradite**

The Parties agree to extradite to each other, pursuant to the provisions of this Treaty, any person, who is accused or charged with or convicted of any extraditable offence, by the competent authorities of the Requesting Party, whether such offence was committed before or after the entry into force of this Treaty, as well as if it is committed in a third State by a national of the Requesting Party and the Requesting Party bases its jurisdiction on the nationality of the offender.

**Article 2
Competent Authority**

The competent authority for the Republic of India shall be the Ministry of External Affairs and for the Republic of Belarus shall be the Prosecutor's Office .

**Article 3
Extradition Offence**

1. An extradition offence for the purposes of this Treaty is constituted by conduct, which under the law of each Party is punishable by a term of imprisonment for a period of at least one year.
2. A person who has been convicted of an extradition offence may be extradited if he was sentenced to imprisonment or other form of detention for a period of six months or more.

3. AN offence may be an extradition offence notwithstanding that it relates to taxation or revenue or is one of a purely fiscal character.

Article 4
Composite Offence

Extradition shall be available in accordance with this Treaty for an extradition offence, notwithstanding that the conduct of the person sought occurred wholly or in part in the Requested Party, if this conduct and its effects, or its intended effects, taken as a whole, would be regarded as constituting the commission of an extradition offence under the laws of both the Contracting Parties.

Article 5
The Political Offence Exception

1. Extradition may be refused if the offence of which it is requested is an offence of a political character.
2. For the purpose of this Treaty the following offences shall not be regarded as offences of a political character.
 - (a) offences provided under international treaties/conventions to which both countries are parties;
 - (b) murder;
 - (c) manslaughter or culpable homicide;
 - (d) assault occasioning actual bodily harm, or causing injury, maliciously wounding or inflicting grievous bodily harm whether by means of a weapon, a dangerous substance or otherwise;
 - (e) the causing of an explosion likely to endanger life or cause serious damage to property;
 - (f) the making or possession of an explosive substance by a person who intends either himself or through another person to endanger life or cause serious damage to property;
 - (g) the possession of a firearm or ammunition by a person who intends either himself or through another persons to endanger life;
 - (h) the use of a firearm by a person with intent to resist or prevent the arrest or detention of himself or another person;

- (i) damaging property whether used for public utilities or otherwise with intent to endanger life or with reckless disregard as to whether the life of another would thereby be endangered;
- (j) kidnapping, abduction, false imprisonment or unlawful detention, including the taking of a hostage;
- (k) incitement to murder;
- (l) any other offence related to terrorism which at the time of the request is, under the law of the Requested Party, not to be regarded as an offence of a political character;
- (m) an attempt or conspiracy to commit any of the foregoing offences or participation as an accomplice of a person who commits or attempts to commit such an offence.

Article 6
Grounds for Refusal of Extradition

1. A person may not be extradited if:
 - (a) he is a national/citizen of the Requested Party;
 - (b) according to the legislation of the Requested Party, the person sought to be extradited has become immune from the criminal prosecution or carrying out of a sentence by reason of lapse of time;
 - (c) the accusation against him not having been made in good faith in the interests of justice;
 - (d) the offence of which he is accused or convicted is a military offence which is not also an offence under the general criminal law;
 - (e) the grant of extradition is contrary to the laws of the Requested Party.
2. A person may not be extradited if he would, if proceeded against in the territory of the Requested Party for the offence for which his extradition is requested, be entitled to be discharged under any rule of law of the Requested Party relating to previous acquittal or conviction.
3. The request for extradition may be refused by the Requested Party

if the person whose extradition, is sought may be tried for the extradition offence in the courts of the Requested Party.

Article 7
Obligation to prosecute

1. Where the Requested Party refuses a request for extradition for the reason set out in paragraph 3 of Article 6 of this Treaty, it shall submit the case to its competent authorities for prosecution.
2. If the competent authorities decide not to prosecute in such a case, the request for extradition shall be reconsidered in accordance with this Treaty.

Article 8
Consequences of non-extradition of own citizens

If according to paragraph 1(a) of Article 6 of this Treaty, extradition is refused, the Requested Party shall initiate criminal prosecution against such person for the same offence according to its laws. For this the Requesting Party shall transfer to the Requested Party the relevant documents and evidence.

Article 9
Postponement of extradition and temporary extradition

1. If the person sought to be extradited is being prosecuted or serving his sentence for another offence in the territory of the Requested Party, the extradition may be postponed till the completion of proceedings, completion of sentence or his release, which shall be advised to the Requesting Party.
2. If the postponement of extradition may cause lapse of time or impede the investigation, the person can be temporarily extradited at the request of the Requesting Party.
3. The temporarily extradited person must be returned to the Requested Party immediately after the end of the proceedings of the case.

Article 10
Extradition Procedures

1. The request for extradition under this Treaty shall be in writing through the diplomatic channels or the competent authorities.
2. The request shall be accompanied by:

- (a) as accurate a description as possible of the person sought together with any other information which would help to establish his identity, nationality and residence;
 - (b) a statement of the facts of the offence for which extradition is requested including information about the nature and size of damage caused by the offence for which extradition is requested; and
 - (c) the text, if any, of the law :
 - (i) defining that offence; and
 - (ii) prescribing the punishment for that offence.
3. If the request relates to an accused person, it must also be accompanied by a warrant of arrest issued by a judge, magistrate or other competent authority in the territory of the Requesting Party and by such evidence as, according to the law of the Requested Party, would justify his committal for trial if the offence had been committed in the territory of the Requested Party, including evidence that the person requested is the person to whom the warrant of arrest refers.
4. If the request relates to a person already convicted and sentenced, it shall also be accompanied:
- (a) by a certificate of the conviction and sentence;
 - (b) by a statement that the person is not entitled to question the conviction or sentence and showing how much of the sentence has not been carried out.
5. In relation to a convicted person who was not present at his trial, the person shall be treated for the purposes of paragraph 4 of this Article as if he had been accused of the offence of which he was convicted.
6. If the Requested Party considers that the evidence produced or information supplied for the purposes of this Treaty is not sufficient in order to enable a decision to be taken as to the request; additional evidence or information shall be submitted within such time as the Requested Party shall require.
7. Upon receipt of the request for extradition, the Requested Party shall,

in accordance with its laws and the provisions of this Treaty, take urgent measures for arrest of the person sought.

Article 11
Provisional Arrest

1. In urgent cases the person sought may, in accordance with the law of the Requested Party, be provisionally arrested on the application of the competent authorities of the Requesting Party, made either through diplomatic channels or the National Central Bureau of International Criminal Police Organization - INTERPOL. The application shall contain an indication of intention to request the extradition of that person and statement of the existence of a warrant of arrest or a conviction against him, and, if available, his description and such further information, if any, as would be necessary to justify the issue of a warrant of arrest had the offence been committed, or the person sought been convicted, in the territory of the Requested Party.
2. The Requested Party shall inform without delay the Requesting Party about such provisional arrest.
3. A person arrested upon such an application shall be set at liberty upon the expiration of 60 days from the date of his arrest if request for his extradition shall not have been received. This provision shall not prevent the institution of further proceedings for the extradition of the person sought if a request is subsequently received.

Article 12
Rule of Specialty

1. The extradited person may not without consent of the Requested Party, be prosecuted or punished in the Requesting Party for the offence other than that for which extradition has been granted and any lesser offence disclosed by the fact proved for the purposes of securing his extradition, nor any such a person, without consent of the Requested Party, be extradited to a third State.
2. The consent of the Requested Party is not required if the extradited person:
 - (a) has not left, though had the opportunity, the territory of the Requesting Party within 45 days after termination of the

criminal prosecution, serving of the sentence or release on any legal ground. Such period shall not be deemed to include the period of time during which the extradited person is unable to leave the territory of the Requesting Party for reasons beyond his control;

- (b) once having left the territory of the Requesting Party, voluntarily returns there.
3. The provisions of paragraph 1 of this Article shall not apply to offences committed after the return of the person to the Requesting Party or matters arising in relation to such offences.

Article 13 Recognition of Documents and Evidence

1. The authorities of the Requested Party shall admit in any proceedings for extradition, any evidence and related documents taken on oath or by way of affirmation, any warrant and any certificate of, or judicial document stating the fact of, a conviction, if it is authenticated:
- a) (i) in the case of a warrant being signed, or in the case of any original document by being certified, by a judge, magistrate or other competent authority of the Requesting Party; and
(ii) either by oath of some witness or by being sealed with the official seal of the appropriate Minister of the Requesting Party;
or
 - (b) in such other manner as may be permitted by the law of the Requested Party.
2. The evidence described in paragraph 1 of this Article shall be admissible in extradition proceedings in the Requested Party whether sworn affirmed in the Requesting Party or in some third Party.
3. Documents considered as public in the territory of one Party shall have the evidential force of public documents also in the territory of the other Party.

Article 14 Competing Requests

If extradition of the same person whether for the same offence or for different

offences is requested by a Contracting Party and a third Party with which the Requested Party has an extradition arrangement, the Requested Party shall determine to which Party the person shall be extradited, and shall not be obliged to give preference to the Contracting Party.

Article 15 Capital Punishment

If under the law of the Requesting Party the person sought is liable to the death penalty for the offence for which his extradition is requested, but the law of the Requested Party does not provide for the death penalty in a similar case, extradition may be refused unless the Requesting Party gives such assurance as the Requested Party considers sufficient that the death penalty will not be carried out.

Article 16 Surrender

1. If extradition is granted!, the Requested Party shall notify the Requesting Party of the time and place of delivery of the extradited person.
2. The Requesting Party shall remove the person sought from the territory of the Requested Party within 45 days or such longer period, which may not exceed 60 days. If he is not removed within that period, the Requested Party may refuse to extradite him for the same offence and release the person.

Article 17 Surrender of Property

1. When a request for extradition is granted the Requested Party shall, upon request and so far as its law allows, seize and hand over to the Requesting Party articles (including sums of money) which may serve as proof or evidence of the offence.
2. The articles mentioned in paragraph 1 of this Article shall also be delivered in case the extradition of a person cannot be carried out owing to his death, escape or other reasons.
3. If the articles in paragraph 1 of this Article are needed in the territory of the Requested Party in connection with pending criminal proceedings, their transfer may be postponed till the completion of

the proceedings or they shall be handed over on the condition that they will be returned.

4. These provisions shall not prejudice the rights of the Requested Party or any person other than the person sought. When these rights exist the articles shall be returned to the Requested Party without charge as soon as possible after the end of the proceedings.

Article 18 Expenses

1. Expenses incurred in the territory of the Requested Party by reason of the request for extradition shall be borne by that Party.
2. The expenses incurred by reason of transit of the extradited person shall be borne by the Requesting Party.

Article 19 Languages

While complying with this Treaty, the Parties shall use their national language attaching the translation in the national language of the other Party or in the English language.

Article 20 Obligations under International Conventions/Treaties

The present Treaty shall not affect the rights and obligations of the Parties arising from International Conventions/Treaties to which they are Parties.

Article 21 Ratification and Termination

1. This Treaty shall be subject to ratification and shall enter into force on the date of exchange of the instruments of ratification.
2. Either Party may terminate this Treaty at any time by giving written notice to the other Party through the diplomatic channel of its intention to terminate the Treaty and the same shall cease to have effect six months after the receipt of the notice by the other Party.

IN WITNESS WHEREOF, the undersigned being duly authorized, have signed this Treaty.

Done at New Delhi on the-16th day of April 2007, in two originals, each in

Hindi, Russian and English, all languages being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**On behalf of the
Republic of India**

**Anand Sharma,
Minister of State for External Affairs**

**On behalf of the
Republic of Belarus**

**Viktor Golovanov
Minister of Justice**



BULGARIA

518. Speech of Prime Minister Dr. Manmohan Singh at the banquet in honour of the Prime Minister of Bulgaria Sergei Stanishev

Your Excellency Prime Minister Stanishev,

Ladies and gentlemen

On behalf of the Government and people of India it gives me immense pleasure to welcome you, along with all the distinguished members of your delegation, to India.

Excellency,

Your visit is an important milestone in our relations that are rooted in history and steeped in antiquity. It is a coming together of two old friends.

Excellency, Bulgaria is a country that we have known intimately for the last several decades. The works of Georgi Rokovski and Boris Georgiev, the beauty of Varna, and the students of the Indira Gandhi School in Sofia and Kindergarten in Pravetz have all contributed to the fund of goodwill and friendship that exists between us. Rabindranath Tagore's visit in 1926 captured the imagination of intellectuals on both sides, and laid the foundations of the study of Indology in Bulgaria.

Today, we welcome you as the modern face of Bulgaria. We admire your spirit of enterprise, and your values of democracy, pluralism and human rights. We celebrate Bulgaria's accession to the European Union. We know that this is good for Bulgaria, good for Europe, and good for India.

Indo-Bulgarian relations are unique. They are not directed against anyone.

There are no irritants. Their sole objective is the Determent of the lives of our two peoples. They contribute to international peace and prosperity.

We have today pledged to shape a partnership that befits the new world order. A partnership that reflects our contemporary strengths and complementarities. Let us reconnect ourselves, and rediscover the benefits of more trade, more investment and more intellectual and cultural interaction. The frontiers of science and technology beckon us to do more. Our task is easy because it is built on the foundation of shared interests, and complete

mutual trust. It is essential, if we have to meet the aspirations of our peoples.

Excellency,

We have convergent views on many international issues. We look forward to working with you to strengthen the United Nations so that it reflects today's realities, and on key issues of energy security, civil nuclear cooperation, climate change, and terrorism.

Our talks have been held in an atmosphere of utmost warmth and cordiality. We have reached concrete outcomes. India is grateful for your friendship, which has stood the test of time. We highly value this friendship, and reciprocate it in full measure.

Excellencies, Ladies and Gentlemen,

I request you to join me in a toast to the health of His Excellency Prime Minister Sergei Stanishev,

the further strengthening of the multisectoral cooperation between India and the Republic of Bulgaria, and

the ever-growing friendship and goodwill between the peoples of our two countries.



519. Joint Declaration issued during the visit of Prime Minister of Bulgaria Sergei Stanishev.**New Delhi, September 12, 2007.**

1. At the invitation of the Prime Minister of the Republic of India Dr. Manmohan Singh, the Prime Minister of the Republic of Bulgaria, H.E. Mr. Sergei Stanishev paid a state visit to India from 10-15 September 2007.
2. The Prime Ministers of India and Bulgaria held official talks on bilateral, regional and global issues of mutual concern. Prime Minister Dr. Manmohan Singh hosted a banquet in honour of the visiting dignitary. Prime Minister Sergei Stanishev called on President Smt. Pratibha Patil and Vice President Shri Hamid Ansari, and met with Speaker, Lok Sabha Shri Somnath Chatterjee, External Affairs Minister Shri Pranab Mukherjee, Chairperson of United Progressive Alliance Smt. Sonia Gandhi, and Leader of Opposition Shri L.K. Advani.
3. The talks were held in an atmosphere of friendship, warmth and mutual understanding. The two sides expressed satisfaction with the mutually beneficial cooperation and partnership between Bulgaria and India encompassing political dialogue, economic, defence, scientific and technological cooperation, cultural and educational exchange, etc. They agreed to work together for the further enhancement of their multifaceted relationship based on shared democratic values, respect for human rights, mutual understanding and cooperation and similarity of views on major international issues.
4. Both Prime Ministers expressed their will to expand and diversify trade and economic cooperation in areas in which Bulgaria and India have comparative advantages, and to utilise the untapped potential in this area and the existing institutional framework¹. They agreed to work together for enhancing bilateral investments in various sectors, including in knowledge-based industries.

1. On September 11 when the Bulgarian Minister for Economy and Energy called on the Commerce and Industry Minister Kamal Nath, the latter called for maximization of bilateral trade potential. Observing that the Indo-Bulgarian bilateral trade, which at present stood at US \$ 79 million (exports - \$ 40 million and imports - \$ 39 million), he stated that this needed to grow significantly, considering the vast potential that exists for increasing the trade. While congratulating Bulgaria on its accession to the European Union (EU),

5. The Bulgarian side invited Indian investment in different sectors of the Bulgarian economy, especially in metallurgy, chemical industry, electronics, information and communication technology, spare parts, power engineering, and tourism, and expressed interest in setting up joint ventures in India in the areas of food processing, construction of grain-storage, cold-storage facilities, small hydropower stations, road construction, implementation of other infrastructure projects, etc.
6. Both sides also noted the opportunities for bilateral cooperation in the sectors of agriculture, small and medium enterprises and agro-based industries, textiles, perfumery and cosmetics. It was agreed to further promote direct contacts between the business circles of the two countries, including through participation in trade/commercial exhibitions in both countries and regular meetings of the Indo-Bulgarian Joint Business Council, as well as between regions and cities of the two countries. In this regard the two sides agreed to explore and identify mutually convenient solutions for facilitating the access of the representatives of the business communities from both countries to each other's market. Both sides welcomed the outcome of the Bulgaria-India business forum held in New Delhi during the visit of the Bulgarian Prime Minister.
7. The Indian and Bulgarian sides noted with satisfaction the successful development of bilateral scientific and technological cooperation within a broad institutional framework and covering projects in the

the Commerce Minister said: "we look forward to your cooperation and support in strengthening the India-EU strategic partnership in all its manifestations. We have begun negotiations on a broad-based trade and investment agreement". Major items of exports to Bulgaria include machinery & instruments, drugs, pharmaceuticals & fine chemicals, manufactures of metals, non-ferrous metals etc. and major items of imports from Bulgaria are - inorganic chemicals, wheat, iron & steel, machinery except electric & electronic. On September 7, the Official Spokesman briefing the media on the visit told journalists that the visit by a Bulgarian Prime Minister was taking place after a gap of 27 years. Giving a background of the bilateral relations, he said that India and Bulgaria "have traditional close and cordial relations." Diplomatic relations were established in 1954, and bilateral cooperation, chiefly in defence, mechanical and electrical machinery, and agriculture took the relationship forward. In Bulgaria, there is significant interest in Indology, Indian languages and culture. There are several organizations/institutions connected with India which are involved in propagation of Indian culture, languages, art, music and religion. In recent years, the bilateral relations have been further strengthened by convergences in the worldviews of the two countries. Bulgaria supported India's candidature for a permanent seat on an expanded UN Security Council. Bulgaria also supported India in the elections to the Human Rights Council in May 2006 and May 2007. Bulgaria, like India, seeks early conclusion of the Comprehensive Convention on International Terrorism, being negotiated in the UN.

fields of solid body physics, nuclear energy, laser technologies, meteorology, medicine, agriculture, biotechnology, nanotechnology, high energy physics, satellite technology, etc. They underlined their determination to continue to enhance the existing collaboration in science and technology, to identify new areas for cooperation and to promote the commercial use of the products of the joint scientific research.

8. The two sides agreed to work jointly to develop mutually beneficial bilateral cooperation in the priority area of information and communication technology through strengthening the bilateral institutional framework and establishing direct contacts in the corporate sector.
9. The two Prime Ministers expressed their support for closer bilateral cooperation in the oil and gas sector, and in the utilization of renewable and alternative energy sources and respective technologies as a basis for sustainable development and as part of the global efforts in addressing the challenges of climate change. They agreed to facilitate the early implementation of the joint project of setting up a solar-based power plant in Bulgaria with the expertise and cooperation of India.
10. The two leaders shared the view that civil nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting rising global demands for energy. Bulgaria welcomes India's engagement in the areas of peaceful use of nuclear energy and is ready to support efforts for civil nuclear cooperation with India.
11. The Prime Ministers agreed to sustain and enhance bilateral defence cooperation on a mutually beneficial basis by utilizing the existing institutional framework and, where necessary, by strengthening it.
12. The two sides agreed to explore the possibilities to enhance transport links between India and Bulgaria. In this context, both sides sought to review the Air Services Agreement of 1992 and also to explore connectivity in sea, overland (Asia-Europe corridor), and banking and financial linkages.
13. They also agreed to promote bilateral cooperation in the areas of social security and healthcare and to establish the relevant legal basis.

14. The Bulgarian side expressed its appreciation of the assistance in the field of training rendered by the Government of India under the ITEC Programme. The Indian side agreed to continue such cooperation.
15. Underlining the importance of bilateral cooperation in culture and education for promoting greater understanding and closer friendship between India and Bulgaria, the Prime Ministers took note of the direct contacts and cooperation between cultural and educational institutions of the two countries, including promotion of Indological studies in Bulgaria and Bulgarian studies in India. The two sides welcomed the signing in New Delhi during the visit of the Prime Minister of Bulgaria of an Agreement of Cooperation between the University of Delhi and Sofia University of St. Kliment Ohridskia as well as between Georgi Rakovski School, New Delhi, India and 79th Indira Gandhi High School, Sofia, Bulgaria.
16. The Prime Ministers exchanged views on a broad range of regional and international issues of mutual interest, as well as issues of global concern such as countering terrorism, climate change, disarmament, non-proliferation of weapons of mass destruction and their means of delivery, promoting sustainable development and addressing the daunting environmental challenges and strengthening the social dimension of globalisation.
17. The Indian and Bulgarian sides emphasized the essential role of the UN for maintaining global peace and security, for promoting the economic and social advancement of all people and for meeting global threats and challenges. The Prime Ministers stressed the need to strengthen the authority and the efficiency of the UN and underlined in this respect the importance of the reform of the UN Security Council with view to enhancing its transparency and effectiveness. In this context, Bulgaria reiterated its support for India's candidature for a permanent seat on an expanded UN Security Council.
18. India and Bulgaria have agreed to offer reciprocal support for their bids for a non-permanent seat in the UN Security Council for 2011-12 and 2018-19 respectively.
19. The Prime Ministers stressed that terrorism constitutes one of the most serious threats to international peace and security. They strongly

condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose and stressed that there can be no justification, whatsoever, for any acts of terrorism. They emphasized the need for concerted and coordinated action by the international community, in accordance with international law, to realize the objectives of eradicating terrorism in all its forms and manifestations.

20. The Prime Ministers stressed the importance of finalizing early the Comprehensive Convention on International Terrorism through early resolution of the outstanding issues with the objective of an expeditious conclusion of negotiations and adoption of this Convention. They agreed to further expand the bilateral dialogue and cooperation in combating terrorism, organized crime and trafficking.
21. The Prime Ministers underlined that climate change is a global challenge with strong economic, environmental and social dimensions, which impacts adversely all countries especially the poorer and most vulnerable countries, and requires a concerted international response based on the principle of common but differentiated responsibilities and respective capabilities. The two leaders agreed that stronger international cooperation within the UN framework is needed to fight climate change especially in the areas of adaptation, mitigation, capacity building, technology transfer, adequate financing facilities and the development of the carbon market. Both leaders shared the view that a future strategy designed to combat climate change should at the same time support sustainable development, economic growth and poverty reduction which are vital for developing countries.
22. Bulgaria expressed its appreciation of the constructive role of India, home to one sixth of humanity, world's largest democracy and fast-growing economy for promoting peace, understanding and cooperation in Asia and in the world. The Bulgarian side highly values India's contribution for strengthening stability and cooperation in South Asia and welcomed the progress of regional integration within the framework of SAARC.
23. India conveyed appreciation of the constructive policy of Bulgaria in Southeast Europe and in the Black Sea region and its efforts to promote multifaceted regional cooperation, including the

implementation of various infrastructural projects.

24. India warmly welcomed the accession of Bulgaria to the European Union, which presented new opportunities for a closer and more dynamic bilateral partnership within the broader framework of the EU-India strategic partnership.
25. India and Bulgaria are also looking forward to their cooperation as partners in the ASEM process for promoting and enhancing inter-regional cooperation in meeting global challenges.
26. The Prime Minister of the Republic of Bulgaria H.E. Mr. Sergei Stanishev extended an invitation to the Prime Minister of the Republic of India H.E. Dr. Manmohan Singh to visit Bulgaria. He also conveyed an invitation to H.E. Smt. Pratibha Patil, President of the Republic of India, for a visit to Bulgaria. The invitations were accepted with pleasure. The dates for the visits will be finalised through diplomatic channels.
27. He visited the Department of Slavonic and Finno-Ugrian Studies, University of Delhi, and Georgi Rakovski School, New Delhi, and delivered a lecture at the Indian Council of World Affairs.
28. During the visit, the two Sides signed the following documents:
 - a) Agreement on Economic Cooperation between the Government of the Republic of India and the Government of the Republic of Bulgaria
 - b) Treaty on Mutual Legal Assistance in Criminal Matters between the Republic of India and the Republic of Bulgaria
 - c) Treaty on Mutual Legal Assistance in Civil and Commercial Matters between the Republic of India and the Republic of Bulgaria
 - d) Treaty on the Transfer of Sentenced Persons between the Republic of India and the Republic of Bulgaria
 - e) Protocol between the Republic of India and the Republic of Bulgaria for Amending the Agreement between the Republic of India and the Republic of Bulgaria for the Promotion and Protection of Investment, signed in New Delhi on 26 October 1998

- f) Protocol of Intent on Labour Relations, Employment and Social Security between the Ministry of Labour and Employment of the Republic of India and the Ministry of Labour and Social Policy of the Republic of Bulgaria
 - g) Memorandum of Understanding between the National Small Industries Corporation Ltd., India, and the Bulgarian Small and Medium Enterprises Promotion Agency regarding Cooperation in the field of Small and Medium-Sized Enterprises Development
29. The Prime Minister of the Republic of Bulgaria sincerely thanked the Prime Minister of the Republic of India for the warm hospitality extended to him and the accompanying Bulgarian delegation in India.



520. Treaty on the Transfer of Sentenced Persons between the Republic of India and the Republic of Bulgaria.

New Delhi, September 12, 2007.

The Republic of India and the Republic of Bulgaria hereinafter referred to as the Contracting States;

Desiring to facilitate the social rehabilitation of sentenced persons into their own countries; and

Considering that this objective should be fulfilled by giving their nationals, who have been convicted and sentenced as a result of their commission of a criminal offence, the opportunity to serve their sentences within their own society;

Have agreed as follows:

ARTICLE 1
Definitions

For the purpose of this Treaty:

- (a) “administering State” means a State to which the sentenced person may be, or has been, transferred in order to serve his sentence;
- (b) “judgment” means a decision or order of a court or tribunal imposing a sentence;

- (c) "sentence" means any punishment or measure involving deprivation of liberty ordered by a court for a determinate period of time or for life imprisonment, in the exercise of its criminal jurisdiction;
- (d) "sentenced person" means a person undergoing a sentence of imprisonment under an order passed by a criminal court including the courts established under the law for the time being in force in the Contracting States;
- (e) "sentencing State" means the State in which the sentence was imposed on the person who may be, or has been transferred.

ARTICLE 2
General Principles

1. A person sentenced in the territory of one Contracting State may be transferred to the territory of the other Contracting State in accordance with the provisions of this Treaty in order to serve the sentence imposed on him. To that end, he may express to the sentencing State or the administering State his willingness to be transferred under this Treaty.
2. Transfer may be requested by any sentenced person who is a national of a Contracting State or by any other person who is entitled to act on his behalf in accordance with the law of the Contracting State by making an application to the Contracting State and in the manner prescribed by the Government of that Contracting State.

ARTICLE 3
Conditions for transfer

1. A sentenced person may be transferred under this Treaty only on the following conditions:
 - (a) the person is a national of the administering State;
 - (b) the death penalty has not been imposed on the sentenced person;
 - (c) the judgment is final;
 - (d) no inquiry, trial or any other proceeding is pending against the sentenced person in the Sentencing State;
 - (e) at the time of receipt of the request for transfer, the sentenced person still has at least twelve months of the sentence to serve or is undergoing a sentence of life imprisonment;

- (f) that the acts or omissions for which that person was sentenced in the Sentencing State are those which are punishable as a crime in the administering State, or would constitute a criminal offence if committed on its territory;
 - (g) the sentenced person has not been convicted for an offence under the military law;
 - (h) transfer of custody of the sentenced person to the administering State shall not be prejudicial to the sovereignty, security or any other interest of the sentencing State;
 - (i) consent to the transfer is given by the sentenced person or, where in view of his age or physical or mental condition either Contracting State considers it necessary, by any other person entitled to act on his behalf in accordance with the law of the contracting State; and
 - (j) the sentencing and administering States agree to the transfer.
2. In exceptional cases, the sentencing and administering States may agree to a transfer even if the remaining period to be served by the sentenced person is less than twelve months.

ARTICLE 4
Obligation to furnish information

1. If the sentenced person has expressed an interest to the sentencing State in being transferred under this Treaty, the sentencing State shall send the following information and documents to the administering State unless either the administering or the sentencing State has already decided that it will not agree to the transfer:
- (a) the name and nationality, date and place of birth of the sentenced person;
 - (b) his address, if any, in the administering State;
 - (c) a statement of the facts upon which the sentence was based;
 - (d) the nature, duration and date of commencement of the sentence;
 - (e) a certified copy of the judgment and a copy of the relevant provisions of the law under which the sentence has been passed against the sentenced person;

- (f) a medical, social or any other report on the sentenced person, where it is relevant for the disposal of his application or for deciding the nature of his confinement;
 - (g) any other information which the administering State may specify as required in all cases to enable it to consider the possibility of transfer and to enable it to inform the sentenced person of the full consequences of transfer for him under its law;
 - (h) the request of the sentenced person to be transferred or of a person entitled to act on his behalf in accordance with the law of the sentencing State; and
 - (i) a statement indicating how much of the sentence has already been served, including information on any pre-trial detention, remission, or any other factor relevant to the enforcement of the sentence.
2. For the purposes of enabling a decision to be made on a request under this Treaty, the administering State shall send the following information and documents to the sentencing State unless either the administering or the sentencing State has already decided that it will not agree to the transfer:
- (a) a statement or document indicating that the sentenced person is a national of the administering State;
 - (b) a copy of the relevant law of the administering State constituting the acts or omissions, on account of which the sentence has been passed in the sentencing State, as if such acts or omissions were an offence under the law of the administering State or would constitute an offence if committed on its territory;
 - (c) a statement of the effect of any law or regulation relating to the duration and enforcement of the sentence in the administering State after the sentenced person's transfer including, if applicable, a statement of the effect of paragraph 2 of Article 8 of this treaty on his transfer;
 - (d) the willingness of the administering State to accept the transfer of the sentenced person and an undertaking to administer the remaining part of the sentence of the sentenced person; and
 - (e) any other information or document which the sentencing State may consider necessary.

ARTICLE 5
Requests and replies

1. Requests for transfer shall be made in writing in the prescribed proforma, if any, and addressed through the central authorities of the contracting States or through diplomatic channels to the central authorities of the contracting States. Replies shall be communicated through the same channels.
2. For the purpose of paragraph 1 of this Article, the central authority shall be, in relation to India, the Ministry of Home Affairs; and in relation to Bulgaria, it shall be the Ministry of Justice.
3. The requested State shall promptly inform the requesting State of its decision whether or not to agree to the requested transfer.

ARTICLE 6
Consent and its verification

1. The sentencing State shall ensure that the person required to give consent to the transfer in accordance with paragraph 1(i) of Article 3 of this Treaty, does so voluntarily and with full knowledge of the legal consequences thereof. The procedure for giving such consent shall be governed by the law of the sentencing State.
2. The sentencing State shall afford an opportunity to the administering State to verify that the consent is given in accordance with the conditions set out in paragraph 1 of this Article.

ARTICLE 7
Effect of transfer for the administering State

1. The competent authorities of the administering State shall continue the enforcement of the sentence through a court or administrative order, as may be required under its national law, under the conditions set out in Article 8 of this Treaty.
2. Subject to the provisions of Article 10 of this Treaty, the enforcement of the sentence shall be governed by the law of the administering State and that State alone shall be competent to take all appropriate decisions in this regard.

ARTICLE 8**Continued enforcement of sentence**

1. The administering State shall be bound by the legal nature and duration of the sentence as determined by the sentencing State.
2. If, however, the sentence is by its nature or duration or both incompatible with the law of the administering State, or its law so requires, that State may, by court or administrative order, adapt the sentence to a punishment or measure prescribed by its own law. As to its nature and duration the punishment or measure shall, as far as possible, correspond with that imposed by the judgment of the sentencing State. It shall however not aggravate, by its nature or duration, the sentence imposed in the sentencing State.

ARTICLE 9**Effect of completion of sentence for the sentencing State**

When the administering State notifies the sentencing State under paragraph 1(a) of Article 12 of this Treaty that the sentence has been completed, such notification shall have the effect of discharging that sentence in the sentencing State.

ARTICLE 10**Pardon, amnesty or commutation and review of judgment**

- (1) The sentencing State alone shall decide on any application for the review of the judgment.
- (2) Either of the Contracting States may grant pardon, amnesty or commutation of the sentence in accordance with its Constitution or other laws.

ARTICLE 11**Termination of enforcement of sentence**

The administering State shall terminate enforcement of the sentence as soon as it is informed by the sentencing State of any decision or measure as a result of which the sentence ceases to be enforceable.

ARTICLE 12**Information on enforcement of sentence**

1. The administering State shall notify the sentencing State:

- (a) when the enforcement of the sentence has been completed;
or
 - (b) if the prisoner escapes from custody before enforcement of the sentence has been completed. In such cases the administering State shall make every effort to have the prisoner arrested in its territory so that the prisoner be prosecuted for committing an offence under the relevant law of the administering State on escape of prisoner.
2. The administering State shall furnish a special report concerning the enforcement of the sentence, if so required by the sentencing State.

ARTICLE 13
Transit

If either Contracting State enters into arrangements for the transfer of sentenced persons with any third State, the other Contracting State shall cooperate in facilitating the transit through its territory of the sentenced persons being transferred pursuant to such arrangements, except that it may refuse to grant transit to any sentenced person who is one of its own nationals. The Contracting State intending to make such a transfer shall give advance notice to the other Contracting State of such transit.

ARTICLE 14
Costs

Any costs incurred in the application of this Treaty shall be borne by the administering State, except costs incurred exclusively in the territory of the sentencing State. The administering State may, however, seek to recover all or part of the costs of transfer from the sentenced person or from some other source.

ARTICLE 15
Language

Requests and supporting documents shall be accompanied by a translation into the language or one of the official languages of the requested State or English.

ARTICLE 16
Certification

Except for the document referred to in Article 4(1) (e), all other documents

transmitted in application of this Treaty do not require certification.

ARTICLE 17
Scope of application

This Treaty shall be applicable to the enforcement of sentences imposed either before or after the entry into force of this Treaty.

ARTICLE 18
Amendments

Any amendments or modifications to this Treaty agreed by the Contracting States shall come into effect in the same manner as entering into force of this Treaty.

ARTICLE 19
Final provisions

1. This Treaty shall be subject to ratification and shall enter into force on the thirtieth day after which instruments of ratification are exchanged.
2. The Treaty shall continue to remain in force until six months from the date upon which either Contracting State gives written notice to the other Contracting State of its intention to terminate it.
3. Notwithstanding any termination, this Treaty shall continue to apply to the enforcement of sentences of sentenced persons who have been transferred under this Treaty before the date on which such termination takes effect.

In witness whereof the undersigned, being duly authorized by their respective Governments, have signed this Treaty.

Done in duplicate at New Delhi on the 12 day of September, 2007 in the Hindi, English and Bulgarian languages, all texts being equally authentic. In case of divergence, the English text shall prevail.

**For the Government
Of the Republic of India**

**For the Government of
the Republic of Bulgaria.**



521. Treaty on Mutual Legal Assistance in Criminal Matters between the Republic of India and the Republic of Bulgaria.

New Delhi, September 12, 2007.

The Republic of India and Republic of Bulgaria (hereinafter referred to as Contracting States);

Guided by the traditional friendly relations between the two countries;

Recognizing the need to facilitate the widest measures of mutual assistance in the service of summons, execution of warrants and other judicial documents and commissions;

Desiring to improve the effectiveness of both countries in the suppression of crime, investigation, prosecution and crime related to terrorism and tracing, restraint, forfeiture or confiscation of the proceeds and instruments of crime, through cooperation and mutual legal assistance in criminal matters;

Have agreed as follows:

Article 1
Scope of Application

1. The Contracting States undertake to afford each other, in accordance with the provisions of the present Treaty, the widest measures of mutual legal assistance in criminal matters.
2. Mutual legal assistance is any assistance given by the Requested State in respect of investigations, prosecutions or proceedings to the Requesting State in criminal matters, irrespective of whether the assistance is sought or is to be provided by a court or some other authority and shall include:
 - a) locating and identifying persons and objects;
 - b) service of summons and other judicial documents;
 - c) taking of evidence, obtaining testimony from persons, including expert examination;
 - d) executing inspection, search and seizure;

- e) providing material and documentary evidence;
 - f) making persons in custody and others, including experts, available to give evidence or assist in investigations;
 - g) location, restraining, seizure and confiscation of the proceeds and instruments of crime;
 - h) providing relevant judicial records and exchange of legal information.
3. Other forms of legal assistance may be executed if they are in accordance with the law of the Requested State.
 4. Assistance and procedures set forth in this Treaty shall not prevent either State from granting assistance to the other State through the provisions of other applicable international conventions or agreements or through the provisions of its domestic laws. The States may also provide assistance pursuant to any bilateral arrangement or agreement that may be applicable.
 5. The assistance under this Treaty shall not include:
 - a) extradition and detention of a person with a view of extradition of that person;
 - b) enforcement of criminal judgments rendered by the courts of the Requesting State on the territory of the Requested State;
 - c) transfer of persons in custody to serve sentences;
 - d) transfer of proceedings in criminal matters.
 6. Assistance shall be provided without regard to whether the conduct which is the subject of the investigation, prosecution or proceedings in the Requesting State would constitute an offence under the laws of the Requested State.
 7. This Treaty shall apply to requests for legal assistance relating to offences committed before its entry into force.

Article 2

Definitions

For the purpose of this Treaty:

- a) 'Criminal matters' means investigations, inquiries, trials or other proceedings relating to an offence created by law including those relating to taxation, custom duties and international transfer of capital and payments.
- b) 'Property' means property and assets of every description whether corporeal or incorporeal, movable or immovable, tangible or intangible and deeds and instruments evidencing title to, or interest in, such property or assets derived or used in the commission of an offence and includes property obtained through proceeds of crime.
- c) 'Proceeds of crime' means any property derived or obtained directly or indirectly, by any person as a result of criminal activity or the value of any such property.
- d) 'Instruments' means any property used or intended to be used, in any manner, wholly or in part, to commit a criminal offence or criminal offences;
- e) 'Confiscation' means a penalty or a measure, ordered by a court following proceedings in relation to a criminal offence or criminal offences resulting in the final deprivation of property.
- f) 'Restraint of property' means any measure for the prevention of dealing in or transfer or disposal of property.

Article 3

Refusal or Postponement of Legal Assistance

1. Assistance may be refused if:
 - a) in the opinion of the Requested State, the execution of the request would impair its sovereignty, security, public order or other essential public interest;
 - b) the Requested State has reasons to believe that the request for assistance has been made for the purpose of prosecuting a person on account of that person's race, sex, religion, nationality, ethnic origin, expression of opinion or that that person's position may be prejudiced for any of those reasons;
 - c) the request relates to an offence in respect of which the accused person had been finally acquitted or pardoned in the Requested State.

2. Legal assistance may be postponed if the execution of the request would interfere with an ongoing investigation or prosecution in the Requested State.
3. The Requested State shall promptly inform the Requesting State of its decision not to comply in whole or in part with a request for assistance, or to postpone execution, and shall give reasons for that decision.
4. Before refusing a request for assistance or before postponing the execution of a request, the Requested State shall consider whether assistance may be provided subject to such conditions as it deems necessary. If the Requesting State accepts assistance subject to those conditions, it shall comply with them.

Article 4
Execution of Request for Legal Assistance

1. When executing the requested legal actions, the Requested State shall apply its national legislation. To the extent consistent with its law and practice the Requested State may carry out the request in the manner specified by the law of the Requesting State.
2. If the Requesting State makes a specific request, the Requested State shall communicate the date and place of execution of the requested assistance. In such case the authorities of the Requesting State and the parties to the proceedings may attend the execution of the request in conformity with the laws of the Requested State.
3. The Requested State shall not refuse to execute a request on the ground of bank secrecy.

Article 5
Service of Documents

1. The Requested State shall serve any document transmitted to it for the purpose of service.
2. The Requesting State shall transmit a request for the service of a document pertaining to a response or appearance in the Requesting State within a reasonable time, before the scheduled response or appearance.
3. The Requested State shall return a proof of service in the manner

required by the Requesting State. If the service cannot be effected the reasons shall be communicated immediately to the Requesting State.

Article 6
Transmission of Documents and Objects

1. The Requested State shall provide copies of publicly available information and documents of government departments and agencies.
2. The Requested State may provide any information, documents and objects in the possession of a government department or agency, but not publicly available, to the same extent and under the same conditions as they would be available to its own law enforcement and judicial authorities.
3. The Requested State may provide certified copies of documents, unless the Requesting State expressly requests originals. The original documents shall be kept in the safe custody of the Requesting State till the end of the proceedings.
4. Original documents or objects provided to the Requesting State shall be returned to the Requested State as soon as possible upon request.
5. In so far as not prohibited by the law of the Requested State, documents or objects shall be provided in a form or accompanied by such certification as may be specified by the Requesting State in order to make them admissible according to the law of the Requesting State.
6. Taxes or customs duties shall not be levied on objects that have been transmitted under this Treaty except in accordance with the domestic laws of the Contracting States.

Article 7
**Availability of Persons to Give Evidence or Assist in Investigation
or Criminal Proceedings in the Requested State**

1. A person including a person in custody, requested to testify and produce documents or objects in the Requested State may be compelled by subpoena or order to appear, testify and produce such documents or objects, in accordance with the law of the Requested State.

2. Where appearance of persons is requested with respect to the execution of a request for assistance in the territory of the Requested State, it shall apply measures of compulsion and sanctions provided for by its domestic law.
3. Subject to the law of the Requested State officials or authorized persons of the Requesting State and persons concerned in the proceedings in the Requesting State shall be permitted to be present when evidence is taken in the Requested State and to participate in the taking of such evidence in the manner as may be specified by the Requested State.
4. The right to participate in the taking of evidence includes the right to pose questions. The persons present at the execution of a request may be permitted to make a verbatim transcript of the proceedings. The use of technical means to make such a verbatim transcript may be permitted.

Articles 8

Availability of Person to Give Evidence or Assist in Investigations or Criminal Proceedings in the Requesting State

1. The Requesting State may request that a person be made available to give evidence or assist investigations in its jurisdiction.
2. The Requested State shall invite the person to assist in the investigation or to appear as a witness in the proceedings in the Requesting State and seek that person's voluntary consent thereto. The Requested State shall promptly inform the Requesting State of that person's response.
3. The request shall indicate the approximate allowances and travel and subsistence expenses payable by the Requesting State. If a specific request is made, the Requested State may grant the person an advance, which shall be refunded by the Requesting State.

Article 9

Transfer of Persons in Custody to Give Evidence or to Assist in Investigations or Criminal Proceedings

1. Upon the request of the Requesting State a person in custody in the Requested State shall, subject to that person's consent be temporarily transferred to the Requesting State to assist in investigations or give evidence unless there are overriding grounds against the transfer.

2. The transferred person shall be held in custody in the Requesting State and shall be returned in custody to the Requested State on the conclusion of the matter in relation to which the transfer was sought or at such earlier time as the person's presence is no longer required.
3. Where the Requested State advises the Requesting State that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as a person referred to in article 8 of the present Treaty.

Article 10 Safe Conduct

1. A person present in the Requesting State pursuant to a request seeking that person's attendance shall not be detained, prosecuted, or subjected to any other restriction of personal liberty in the Requesting State in respect of offences or convictions that preceded that person's departure from the Requested State. That person shall not, without his consent, be required to give evidence in any proceedings or to assist in any investigations other than the proceedings and investigations to which the request relates.
2. The protection under paragraph 1 shall cease to apply, if that person being free to leave the Requesting State has not left after the expiration of 30 consecutive days after being officially notified that his presence is no longer required or, having left, has voluntarily returned.
3. Any person who fails to appear in the Requesting State may not be subjected to any sanction or compulsory measure in the Requested State.

Article 11 Information on Judgments

1. The Requested State shall communicate extracts from and information relating to judicial records requested by Requesting State required in criminal proceedings, to the extent these may be made available to its own judicial authorities in like cases.
2. In cases other than those provided for in paragraph 1 of this Article, the request shall be complied with in accordance with the conditions provided for by the law or practice of the Requested State.

Article 12
Search and Seizure

1. The Requested State shall execute a request for a search and seizure.
2. Search and seizure shall be conducted by the Requested State to the same extent and under the same conditions as to be got done for its own law enforcement and judicial authorities in accordance with its laws.
3. The competent authority that has executed a request for a search and seizure shall provide such information as may be required by the Requesting State concerning, but not limited to, the identity, condition, integrity and continuity of possession of the documents or objects seized and the circumstances of the seizure.

Article 13
Proceeds and Instruments of Crime

1. The Requested State shall upon request endeavor to ascertain whether any proceeds or instruments of a crime are located within its jurisdiction and shall notify the Requesting State of the results of its inquiries.
2. The Requested State shall upon request take the necessary provisional measures, such as freezing or seizing, to prevent any dealing in, transfer or disposal of property which, at a later stage, may be the subject of a request for confiscation or which might be such as to satisfy the request.
3. The Requested State shall upon request for confiscation concerning instruments or proceeds, situated in its territory, enforce a confiscation order made by a court of a Requesting State in relation to such instruments or proceeds; or submit the request to its competent authorities for the purpose of obtaining an order of confiscation and, if such order is granted, enforce it.
4. The measures mentioned in this article should be carried out as permitted by and in accordance with the domestic law of the Requested State and, to the extent not incompatible with such law.
5. Proceeds or instruments forfeited or confiscated pursuant to this

Treaty shall accrue to the Requested State, unless otherwise agreed on a case- to- case basis.

Article 14
Contents of a Request for Legal Assistance

1. The request for legal assistance shall include:
 - a) description of the competent authorities responsible for conducting the investigation or court proceedings to which the request relates;
 - b) purpose of the request and a brief description of the assistance sought;
 - c) description of the facts alleged to constitute the offence and a statement or texts of relevant laws, except in cases of a request for service of documents;
 - d) any other information necessary for the execution of the request, in particular information concerning the identity of the persons concerned in the request;
 - e) details of any particular procedure or requirements that the Requesting State wishes to be followed, and general information about the authorities and parties to the proceedings that are willing to participate;
 - f) if necessary, specification of any time limit within which compliance with the request is desired.
2. In case of requests to take evidence from a person, the request shall contain information about the subject matter of the evidence or statement sought, an interrogation questionnaire and other appropriate requirements.
3. In the following cases, requests for assistance shall include:
 - (a) in the case of requests to take evidence from a person, an indication as to the type of statements, whether sworn, affirmed or recorded/ authenticated by a judicial officer that are required and a description of the subject matter of the evidence or statement sought;
 - (b) in the case of providing of materials of evidence, the current

- location of such materials in the Requested State and an indication of the authority or persons who will be entrusted to keep such materials in the Requesting State, the place to which such materials are to be moved, any tests to be conducted and the date by which such materials will be returned;
- (c) in the case of making detained persons available, an indication of the authority or persons who will have custody during the transfer, the place to which the detained person is to be transferred and the probable date of that person's return; and
4. If necessary, and where possible, requests for assistance shall include:
- (a) the identity, nationality and location of a person or persons who is/are the subject of the investigation, prosecution or proceedings;
- (b) details of any particular procedure or requirement that the Requesting State wishes to be followed and the reasons therefor.
5. If the Requested State considers that the information is not sufficient to enable the request to be executed, it may request additional information to enable the request to be dealt with.

Article 15 Limitation on Use

The Requesting State shall not, without the consent of the Requested State use or transfer information or evidence provided by the Requested State for investigations and proceedings other than those stated in the request. However in cases where the charge is altered, the material provided may be used in so far as the offence, as charged, is an offence in respect of which mutual assistance could be provided under the present Treaty.

Article 16 Confidentiality

1. The Requested State shall upon request keep confidential the request for assistance, its contents and the supporting documents as well as the fact of granting of such assistance. If the request cannot be executed without breach of confidentiality, the Requested State shall so inform the Requesting State, which shall then determine whether the request should nevertheless be executed.

2. The Requested State shall upon request keep confidential the evidence and information provided by the Requesting State except to the extent that the evidence and information is needed for the investigation and proceedings described in the request.

Article 17
Central Authorities

1. Central Authorities shall transmit and receive requests for legal assistance and responses thereto for the purposes of this Treaty. Transmissions may also take place through the International Police Organization/INTERPOL
2. The Central authorities for the purposes of this Treaty shall be:

for the Republic of India - the Ministry of Home Affairs and for the Republic of Bulgaria - the Ministry of Justice.

Article 18
Exchange of Legal Information

Upon request, the Contracting States shall inform each other of the provisions of their respective laws and legal practice.

Article 19
Certification

All records and documents, or certified copies thereof that are exchanged between the Contracting States shall not require any form of legislation within the meaning of this Treaty.

Article 20
Language

Requests for legal assistance and supporting documents shall be accompanied by a certified translation in English or in the language of the Requested State.

Article 21
Costs

1. The costs of executing the request for legal assistance shall be borne by the Requested State.

2. The Requesting State shall bear the expenses for the transfer of persons in custody to its territory and the expenses and fees of experts in the Requested State and the costs mentioned in paragraph 3 of Article 8.
3. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Contracting States shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article 22
Ratification and Entry into Force

1. This Treaty shall be subject to ratification and shall enter into force on the 30th day after the exchange of the instruments of ratification.
2. Either contracting State may denounce the present Treaty by giving notice in writing to the other State through the diplomatic channel. Such denunciation shall take effect six months following the date on which it is received by the other State.
3. Under the initiative of either contracting State amendments may be made to this Treaty, which shall enter into force according to procedure described in paragraph 1 of this article.

Article 23
Interpretation

All matters with respect to the interpretation or implementation of this Treaty shall be settled by the Contracting States through consultations between the authorities mentioned in Article 17 of the Treaty.

In witness whereof the undersigned being duly authorized thereto by their respective Governments, have signed this treaty.

Done at New Delhi on 12 September, 2007 in duplicate in Hindi, Bulgarian and English language all texts being equally authentic. In case of divergence, the English text shall prevail.

For the Republic of India

For the Republic of Bulgaria



522. Treaty on Mutual Legal Assistance in Civil and Commercial Matters between the Republic of India and the Republic of Bulgaria.

New Delhi, September 12, 2007.

The Republic of India and the Republic of Bulgaria, hereinafter referred to as the “Contracting Parties”;

Attaching importance to the development of cooperation in the field of legal assistance in civil and commercial matters;

Have agreed as follows:

**PART- I
GENERAL PROVISIONS**

**Article 1
Legal Protection and Legal Assistance**

1. Citizens of one Contracting Party shall enjoy in the territory of the other Contracting Party the same legal protection in respect of their person and property as do the citizens of the other Contracting Party, to the extent permitted by their laws.
2. The above shall also apply to legal persons established in accordance with the law of either Contracting Party.
3. Citizens of one Contracting Party shall be entitled to free and unimpeded access to the courts or other legal authorities of the other Contracting Party having competence in civil and commercial matters, on the same terms and conditions as its own citizens.
4. Citizens of one Contracting Party shall have the same rights and privileges in the proceedings of a court of the other Contracting Party to the same extent as the citizens of that Contracting Party.
5. The authorities concerned of the contracting parties shall render mutual legal; assistance within their competence, in accordance with their national legislation.

**Article 2
Mode of Communication**

In providing legal assistance the courts and other legal authorities of the

Contracting Parties shall communicate with each other through the Central Authorities, which shall be:

For the Republic of India - Ministry of Law and Justice of the Government of India,

For the Republic of Bulgaria - Ministry of Justice.

The Central Authorities shall communicate with each other directly.

PART- II
LEGAL ASSISTANCE CONCERNING
CIVIL AND COMMERCIAL MATTERS

Article 3
Scope of legal assistance

Legal assistance in civil and commercial matters includes:

1. service and dispatch of documents or summons;
2. provision upon request of information on laws, which are or were in force in the respective States, and on their application by the judicial authorities;
3. taking of evidence from litigants, witnesses and " experts;
4. furnishing evidence;
5. obtaining expert opinions;
6. recognition and enforcement of judgments including those by criminal courts in civil matters, arbitration awards and settlements;
7. effecting any other legal assistance.

Article 4
Request for legal assistance

A request for legal assistance shall be made in writing and shall contain the following:

1. the designation of the requesting authority;
2. the designation of the requested authority;
3. the specification of the case in relation to which legal assistance is requested;

4. names and surnames of persons relating to the request, information of their citizenship, occupation and permanent or 'terr^oran.' residence. In case of legal persons, their names and address^ .,
5. names and addresses of the representatives of persons relating to the request; and
6. contents of the request.

Article 5 Execution

1. In executing the request for legal assistance the requested authority shall apply its national laws. However, upon request of the requesting authority, it may apply procedural rules of the requesting Contracting Party as far as they are not in conflict with the laws of the requested Contracting Party.
2. If the requested authority is not competent to execute the request it shall forward the request to the competent authority and shall inform the requesting authority accordingly.
3. In case of receipt of an executable request the requested authority shall notify the requesting authority, parties interested in, or their representatives, of the place and time of execution of the request.
4. The requested authority shall forward documents to the requesting authority after execution of the request. In case legal assistance could not be provided as requested it shall return the request and notify the reasons for inability to execute it.

Article 6 Service of documents or summons

1. The service of documents or summons shall be affected in accordance with the laws of the requested Contracting Party. When the documents or summons are not drawn up in the language of the requested Contracting Party or are not accompanied by a translation, they may be served on the addressee if he is willing to accept them. In case of non-acceptance of such document or summons the service shall be considered as not having been effected.
2. A request for service shall contain the exact address of the addressee and the title of the document or summons to be served.

Article 7
Proof of service of documents or summons

The service of documents or summons shall be proved in accordance with the rules in force in the territory of the requested Contracting Party. The date and place of service as well as the person on whom the document or summons was served shall be indicated in a certificate of service.

Article 8
Service of documents and questionnaires to citizens through diplomatic missions or consular offices

The Contracting Parties shall be free to effect service of documents and questionnaires to their own citizens through their diplomatic missions or consular offices. No compulsion shall be applied in connection with such service.

Article 9
Summons served upon witness or expert abroad

1. If in course of the judicial proceedings in the territory of one Contracting Party there is need for the personal appearance of a witness or an expert, staying in the territory of the other Contracting Party, the request to serve summons shall be addressed to the competent authority of that Contracting Party.
2. The summons may not entail any penalties for failure of the summoned person to appear.
3. A witness or expert, who in response to a summons, has voluntarily appeared before the competent authority of the requesting Contracting Party shall not be in the territory of that Contracting Party prosecuted, detained or punished for a criminal offence committed by him before he enters its territory.
4. A witness or expert shall be deprived of this immunity if he fails to leave the territory of the requesting Contracting Party within 15 days after being informed by the requesting authority that his presence is no longer necessary. Such period shall not include any period of time during which the witness or expert was unable to leave the territory of the requesting Contracting Party for reasons beyond his control.

5. Witnesses and experts who upon request appeared in the territory of the requesting Contracting Party shall have the right to be reimbursed by the requesting authority their travel expenses and costs connected with their stay in its territory. Experts shall also be entitled to remuneration for making an examination. The request shall contain the information on reimbursements which the requested persons are entitled to; the requesting Contracting Party shall provide against their statement an advance payment to cover the corresponding expenses.
6. The Contracting Parties shall render all necessary assistance to each other for taking evidence of a witness in accordance with the provisions of their laws or, as the case may be, on the basis of questionnaire or otherwise, which may be admitted as evidence in accordance with the laws of the requested Contracting Party.

Article 10
Recognition of documents

1. Documents emanating from or certified by a court, any other competent authority or an authorized person of one of the Contracting Parties shall be considered authentic if duly sealed by it. Documents complying to the requirements hereby shall be acknowledged by courts and other competent authorities of the other Contracting Party.
2. Documents considered as official in the territory of one Contracting Party shall have the evidentiary force of official documents also in the territory of the other Contracting Party.

Article 11
Costs of legal assistance

The requested Contracting Party shall normally not apply for the reimbursement of legal assistance costs. However, should the estimated or actual expenses of the requested Contracting Party be of extraordinary amount, the Central Authorities shall consult each other and find the mutually acceptable solution.

Article 12
Dispatching of certificates of civil status and other documents

The Contracting Parties undertake to dispatch to each other upon request, by diplomatic channels, without translation and free of charge, certificates

or any other documents concerning personal rights and property interests of their citizens.

Article 13
Refusal of legal assistance

The requested Contracting Party may refuse legal assistance if it considers it may be prejudicial to its sovereignty, security or public order or is in conflict with its laws or international obligations.

Article 14
Exemption from payment of legal fees and security

1. The citizens of one Contracting Party shall be exempt in the territory of the other Contracting Party from payment of legal fees and security under the same conditions and to the same extent as citizens of that Contracting Party.
2. The citizens and legal persons of one Contracting Party shall be exempt in the territory of the other Contracting Party from deposit of security for filing a claim before the courts or other legal authorities under the same conditions and to the same extent as citizens and legal persons of that Contracting Party.

Article 15
Issuance of documents on personal, marital and property status

1. A document relating to personal, marital and property status necessary to receive permission for exemption from payment of legal fees shall be issued by a competent authority of the Contracting Party in the territory of which the declarant resides or stays.
2. If the declarant does not reside or stay in the territories of the Contracting Parties the document issued or certified by a diplomatic mission or consular office of the State, whose citizen he is, is sufficient.
3. A court passing order for exemption from payment of legal fees may request the authority which issued the document to furnish additional information.

PART III
RECOGNITION AND ENFORCEMENT OF JUDGEMENTS

Article 16

Recognition and enforcement of judgments on civil and commercial matters and monetary payments awarded in criminal cases

1. The Contracting Parties shall mutually recognize and enforce final and effective judgements of judicial authorities on civil and commercial matters as well as orders awarding monetary payments in criminal cases.
2. In the territory of the Contracting Parties judgements of declaratory nature which do not require enforcement shall be equally recognized without special proceedings.
3. Procedure relating to recognition and enforcement of judgements shall be subject to the laws of the Requested Party.

Article 17

Accompanying documents

Application for recognition and enforcement must be accompanied by:

- 1) a copy of the judgment, certified by the court, together with an official document stating that the judgment or decree is enforceable, if it is not clear from the text of the judgment itself;
- 2) a document from which it follows that a summons was in due time and form at least once handed to the defendant, who refused to accept it or did not participate in the proceedings; and
- 3) certified translations of the application and the accompanying documents into the language of the requested Contracting Party or the English language.

Article 18

Costs

Legal costs relating to recognition and enforcement shall be regulated by the law of the Contracting Party in whose territory the judgment is to be enforced.

Article 19

Recognition and Enforcement of Arbitral Awards

Recognition and enforcement of arbitral awards passed in one of the

Contracting Parties shall be made in the other Contracting Party in accordance with the Convention on the Recognition and Enforcement of Arbitral Awards, 1958 (New York Convention) and its national laws.

Article 20
Languages

While complying with the present Treaty, the Contracting Parties shall use their national language attaching the translation in the national language of the other Contracting Party or in English language.

PART IV
FINAL PROVISIONS

Article 21
Consultation

All matters with respect to the interpretation or implementation of this treaty shall be settled by the Contracting Parties through consultation between the authorities mentioned in Article 2 of the Treaty.

Article 22
Entry into Force

1. This treaty shall be subject to ratification and shall enter into force on the 30th day of the exchange of instruments of ratification.
2. Either of the Contracting Parties may denounce this Treaty at any time by giving notice to the other Contracting Party through undiplomatic channel; and if such notice is given the Treaty shall cease to have effect six months after the receipt of the notice.
3. Under the initiative of either Contracting Party amendments may be made to this Treaty, which shall enter into force according to the procedure described in paragraph 1 of this Article.

Done in duplicate at New Delhi this 12th day of September 1957 in Hindi, Bulgarian, and English languages, each text being equally authentic. In case of any interpretational difference the English text shall prevail.

For the Republic of India

For the Republic of Bulgaria



523. Agreement between the Government of the Republic of India and the Government of the Republic of Bulgaria on Economic Cooperation.

New Delhi, September 12, 2007.

The Government of the Republic of India and the Government of the Republic of Bulgaria hereinafter referred to as “the Contracting Parties”,

Inspired by the traditional links of friendship and cordial relations which exist between the Republic of India and the Republic of Bulgaria,

Committed to the principles of free market economy,

Desirous of developing and intensifying their economic, industrial, technical and technological cooperation on the basis of reciprocity and mutual benefit,

Conscious of the necessity of existence of an adequate legal framework for India Bulgaria relations in accordance with the applicable legislation and regulations in the two countries,

Taking into consideration the international Agreements concluded by the Contracting Parties in the field of economic cooperation as well as the accession of the Republic of Bulgaria to the European Union,

Have agreed as follows:

**ARTICLE I
OBJECTIVES**

The Contracting Parties agree that the objectives of this Agreement, in accordance with laws and regulations in force in either country, are to:

- (i) Promote activities aimed at the development of bilateral economic, technical and technological cooperation;
- (ii) Support and develop business contacts;
- (iii) Facilitate the expansion of bilateral investment and identification of economic and investment opportunities in their respective countries;
- (iv) Reinforce cooperation for the enhancement of economic relations between the two countries.

ARTICLE II COOPERATION ACTIVITIES

The Contracting Parties shall encourage and facilitate greater cooperation between their natural and legal persons including business associations, institutions and agencies, in accordance with laws and regulations in force in each country. To this end, they agree to:

- (i) Exchange information on economic development and bilateral trade, economic plans, forecasts and strategies;
- (ii) Inform each other about existing possibilities concerning trade fairs, exhibitions, entrepreneurial missions and other promotional activities;
- (iii) Facilitate the exchange of experts, technicians, investors and business representatives of the public and private sectors; and
- (iv) Explore and promote joint business possibilities in third countries arising from partnership between Bulgarian and Indian companies.

ARTICLE III INSTITUTIONS

1. The Joint Commission for Economic, Scientific and Technical Cooperation between the Government of the Republic of India and the Government of the Republic of Bulgaria, set up through exchange of letters in 1973, hereinafter referred to as "the Joint Commission", shall promote, oversee and coordinate the cooperation between the two countries under this Agreement.
2. **The tasks of the Joint Commission shall include:**
 - Discussions on the development of bilateral economic relations;
 - Identifying new possibilities for further development of economic cooperation;
 - Drawing up suggestions for improvement of the terms of economic cooperation between enterprises of both countries, and
 - Making recommendations for the implementation of this Agreement.

3. The Joint Commission shall comprise experts of the two Contracting Parties and representatives of relevant organizations and institutions of the Indian side and of the Bulgarian side.
4. Each Contracting Party shall designate a chairperson on its part at Ministerial level, referred to as "the co-Chair". Each co-Chair shall designate an official from the concerned Government to coordinate the work of the Joint Commission.
5. By way of arrangement between the Contracting Parties, Joint Working Groups may be established within the framework of the Joint Commission.
6. The Sessions of the Joint Commission shall be convened once every two years, or more often, if required, alternately in India and in Bulgaria, the date and place of the Sessions shall be mutually agreed upon by representatives of the Contracting Parties.
7. At the conclusion of each Session, Agreed Minutes prepared by the host delegation shall be agreed upon and signed by the Co-Chairs.
8. The working language of the Joint Commission shall be English.
9. In the period between Sessions, the co-Chairs may direct the designated officials to discuss issues concerning the work of the Joint Commission.

ARTICLE IV FINAL PROVISIONS

1. This Agreement shall not be interpreted in such a way as to affect the obligations arising from any agreements or arrangements concluded or to be concluded between the EC or the EC and its Member States on one part and India on the other.
2. This Agreement shall enter into force on the date of receipt of the last diplomatic note with which the Contracting Parties inform each other about the fulfilment of their national legal requirements for the entry into force of this Agreement. On the date of entry into force of this Agreement, the Agreement between the Government of the Republic of India and the Government of the Republic of Bulgaria on Trade and Economic Cooperation signed in New Delhi on 4 December 1996 shall be deemed to be terminated.

3. This Agreement shall remain in force until the expiration of six months from the date on which either Contracting Party receives from the other Contracting Party a written notice of its intention to terminate the Agreement. In the event of termination of this Agreement its provisions, as relevant, shall continue to apply in respect of the unfulfilled obligations of commercial and cooperation contracts entered into during the period of validity of this Agreement, as well as those arising from contracts/agreements concluded under the Trade and Economic Cooperation Agreement signed on 4 December 1996.
4. This Agreement may be amended at any time by a written agreement of the Contracting Parties. The entry into force of the amendments shall be governed by the terms of the entry into force of this Agreement.

IN WITNESS WHEREOF, the following representatives duly authorized thereto by their respective Governments have signed this Agreement.

DONE at New Delhi on 12th September, 2007 in two originals each in Hindi, Bulgarian and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF
THE REPUBLIC OF INDIA

FOR THE GOVERNMENT OF
THE REPUBLIC OF BULGARIA

Kamal Nath
Minister of Commerce and Industry

Petar Domitrov
Minister of Economy and Energy



CROATIA

524. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Croatia, September 18-20, 2007.

New Delhi, September 20, 2007.

Minister of State for External Affairs, Shri Anand Sharma, visited Croatia, from September 18 - 20, 2007. Aside from discussions with Foreign Minister, Mrs. Kolinda Grabar-Kitarovic, he called on President Stjepan Mesic, the Speaker of the Parliament, Mr. Vladimir Seks, and Prime Minister Dr. Ivo Sanader.

Mr. Anand Sharma's exchanges with the Croatian leadership were wide-ranging, and characterized by mutual goodwill and warmth. Discussions noted the excellent bilateral cooperation in international fora, including reciprocal support for non-permanent seat in the UNSC, for Croatia in 2008-09 and for India in 2011-12, and the affinity in the approach to the expansion of the UNSC.

The two sides recognized the need for acceleration of high-level visits and economic exchanges, at a time of rapid expansion of the Indian economy, and the likelihood of Croatia's early entry into the EU. In their review of bilateral economic relations, information technology, generic medicines, biotechnology, tourism, infrastructure, especially road construction were identified as priority areas. Cooperation in S&T is progressing well. Bilateral trade, likely to cross US \$ 100 million in 2007, is heavily in India's favour.

The Joint Economic Committee and the Joint Business Council are likely to meet in October 2007, for developing tie-ups. This would also be an opportunity for Indian businesses to explore the viability of using the Croatian Adriatic ports of Rijeka and Ploce, as gateways for India's trade with the region. An Agreement on Visa Exemption for Diplomatic and Official Passport Holders was signed during the visit.

Exchanges also covered the regional situation in South-Asia, and South-Eastern Europe, especially the progress of regional economic cooperation. Mr. Anand Sharma was briefed on the status of negotiations over its membership of the EU, and NATO.

MOS for External Affairs briefed his interlocutors on India's challenge of ensuring energy security, for its burgeoning economy. In this context, discussions also covered the issue of international civilian nuclear energy cooperation with India, and the required amendments in the guidelines of the Nuclear Suppliers' Group (NSG), of which Croatia is the latest member.

President Stjepan Mesic, who made a State visit to India in November 2002, renewed his invitation to the President of India to visit Croatia. There was agreement that, following the Parliamentary elections in Croatia in November 2007, an active calendar of high-level visits needs to be finalized.



CYPRUS

525. Briefing Points by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Cyprus.

New Delhi, May 25, 2007.

External Affairs Minister Shri Pranab Mukherjee arrived in Cyprus on May 24 night to begin his tour of Cyprus, Libya, Hamburg (ASEM Meeting), Brussels and Berlin (Indo-EU Troika).

On May 25 morning, EAM paid homage at the Bust of Mahatma Gandhi located next to the Cyprus Parliament on Jawaharlal Nehru Avenue in Nicosia (the only such Bust of a foreign leader in the area). He then offered flowers at the statue of late President Archbishop Makarios III.

EAM had 45 minute call on President Tassos Papadopoulos. The discussions recalled the traditional long-standing and deep rooted friendship between Cyprus and India, India's consistent support for the territorial integrity of Cyprus as well as the UN Security Council Resolutions relating to the Cyprus problem. Bilateral relations particularly the possibilities of closer cooperation in trade and investment, knowledge-based industries, pharmaceuticals and energy were discussed. President Papadopoulos assured EAM of strong support from Cyprus as a member of the EU on matters of interest to India.

EAM had one-to-one meeting with Foreign Minister Yiorgos Lillikas followed by delegation level talks which carried on over lunch. Bilateral relations were discussed in detail in the context of traditional friendship between the two countries and the history of close cooperation and support in the international forum. Possibilities of Cyprus playing a useful and cooperative role for promoting India-EU relations in political and economic terms were discussed. Cooperation in trade and investment, energy, tourism, pharmaceuticals, IT were discussed including through setting up of joint ventures. Closer and regular consultations between the two Foreign Ministries were also agreed upon. Cyprus reiterated their strong support for India's candidature as a Permanent Member for UN Security Council. Other issues discussed included India's civil nuclear programme, terrorism, climate change and developments in SAARC.

Three agreements were signed - Agreement on Abolition of Visa Re-

quirement for Diplomatic and Official Passport Holders, Agreement on Combating International Terrorism, Organised Crime and Illicit Drug Trafficking, and Executive Programme on Cultural, Educational and Scientific Cooperation.

Later on May 25, EAM met the President of Foreign Affairs Committee in the House of Representatives, Mr. Averof Neophytou¹.

Following are the opening remarks of the Minister at the joint press interaction:

"I am delighted to be here in Cyprus, a country with which we have traditionally had very warm and close ties. I am here in pursuance of a decision taken when the President of Cyprus visited India in April 2006 to launch a high level ministerial dialogue between our two countries to prepare our relationship for the 21st century. It would interest you to know that this is my first visit to Europe since I assumed charge as the External Affairs Minister of India late last year.

We are very happy that Cyprus is now a member of the EU. We have a strategic partnership with the EU and a comprehensive joint action plan to implement that partnership. Cyprus in the EU means that we have one more close friend in the Union.

1 Giving a background to the visit to Cyprus the Official spokesperson told the media that the visit "follows a decision arrived at during the visit to India of the President of Cyprus in April 2006, to constitute a high level Ministerial dialogue between the two countries to further develop traditionally close and warm relationship in the light of the changing global and regional situation and to better utilize each other's complementarities particularly in trade and economic matters." He said that this was the first visit to Cyprus by Foreign Minister of India in over two decades. At the Prime Ministerial level, of course, Prime Minister Shri Vajpayee had visited Cyprus in October 2002 and Minister of State for External Affairs Shri Omar Abdullah had visited Cyprus in April 2002.

Traditionally, India and Cyprus have supported each other on matters of importance to each other. Cyprus' membership of the EU has given rise to greater scope for closer collaboration between the two countries. India has consistently supported the sovereignty and territorial integrity of Cyprus. India supports a peaceful resolution of the Cyprus problem in accordance with relevant Resolutions of the UNSC. Both countries also share similar views on the need to combat and eradicate the scourge of terrorism. Within the UN, both countries share the need for early conclusion of the Comprehensive Convention on International Terrorism. Cyprus has plans to develop high technology as the third pillar of its economy and this offers further opportunities for Indian companies. Indian firms have undertaken power and civil construction projects in the past and we hope to participate in more such projects in Cyprus in the future. Indian companies have also expressed interest in exploration blocks for oil and gas in the offshore waters of the Mediterranean, for which international bids have been invited in July this year.

I have had a very productive and useful exchange of views with my counterpart and before that I was received by the President of the Republic. We have had substantive discussions on how best to take forward our bilateral relationship and have signed three important agreements. We also discussed regional and international issues of interest to both our sides. India has always supported Cyprus in its quest for unity and territorial integrity. Cyprus, in turn, has always been supportive of India's interests including in such important areas as our quest for permanent membership of the UN Security Council, our desire to expand our civil nuclear energy programme and our fight against terrorism.

I am confident that my visit will help further strengthen the ties of friendship and cooperation that bind India and Cyprus."



526. Agreement between the Government of the Republic of India and the Government of the Republic of Cyprus on Combating International Terrorism, Organized Crime and Illicit Drug Trafficking.

Nicosia, May 25, 2007.

The Government of the Republic of India and the Government of the Republic of Cyprus (hereinafter referred to as the "Parties").

Guided by the traditional friendly relations between the two countries and their endeavour to contribute to the further development of their bilateral relations;

Deeply concerned with the expansion of organized crime and International Terrorism;

Convinced of the need to enhance bilateral cooperation in combating international terrorism, transnational organized crime and illicit drug trafficking;

Recognizing the mutual advantages of such cooperation for both Parties in accordance with their national laws and regulations;

Taking into consideration the relevant international treaties to which both are Parties;

Desiring to improve the effectiveness of both countries in the prevention, investigation, prosecution and suppression of crime including crime relating to terrorism and drug trafficking and to establish a framework for enhancing cooperation between the officials of intelligence and law-enforcement agencies of the Parties;

Have agreed on the following:

Article 1

The Parties shall, within the framework of this Agreement and subject to their domestic laws and regulations, cooperate in combating international terrorism; illicit trafficking in drugs and psychotropic substances including their precursor chemicals and provide each other with the widest measure of the mutual legal assistance in the investigation, prosecution and suppression of crime.

Article 2

In the context of this Agreement the following terms have the meaning defined hereinafter

- (a) "proceeds" means any economic advantage, derived from or obtained, directly or indirectly, from criminal offences and shall include any property as defined in sub-paragraph (b) of this article;
- (b) "property" includes property of any description, or the value of such property whether corporeal or incorporeal, movable or immovable, and legal documents or instruments -evidencing title to or interest in such property;
- (c) "confiscation" means a penalty or a measure, ordered by a court or any other authority following proceedings in relation to a criminal offence or criminal offences resulting in the final deprivation of property;
- (d) "controlled delivery" means the technique of allowing illicit or suspect consignments to pass out of, through or into the territory of either Party, with the knowledge and under the supervision of their competent authorities with a view to investigate person or persons involved in the commission of the offence;
- (e) "freezing" or "seizure" means temporarily prohibiting the transfer, destruction, conversion, disposition or movement of property or

temporarily assuming custody or control of property on the basis of an order issued by a court or other competent authority; and

- (f) “financing of terrorism” means the acts set out in Article 2 of the International Convention for the Suppression of the Financing of Terrorism.

Article 3

The Parties have resolved to cooperate in their joint fight against terrorism in all its forms and to this end, shall:

- (a) exchange information and intelligence on the activities of any terrorist groups and their associates including those providing front or cover to individuals or groups engaged in the planning, promoting or executing acts of terrorism against the parties as well as those which may operate from or use the territories of either Party;
- (b) identify and exchange information on any sources of financing of terrorism which may be located in the territory of either Party and take steps to seize and confiscate the sources of financing of terrorism;
- (c) coordinate approach to combat international terrorism;
- (d) cooperate and share experience in areas of hijack termination, hostage rescue and negotiations and protection of VIPs;
- (e) facilitate cooperation in preventing access of terrorists to fire arms, ammunition, explosives, nuclear material and other prohibited substances;
- (f) enhance cooperation and intelligence sharing between the law enforcement agencies of the Parties;
- (g) provide mutual assistance including exchange of professional expertise and training of security and law enforcement personnel and in organizing seminars and conferences etc.; and
- (h) address any other matter as mutually agreed upon.

Article 4

- (1) For the purpose of this Agreement, crime will include all offences so created by the legislature of the respective Party.

- (2) The Parties shall provide each other the widest measure of mutual legal assistance in the investigation, prosecution and suppression of crime, including crimes related to terrorism.
- (3) The assistance shall include but not be limited to:
 - (a) Measures to locate, restrain, forfeit or confiscate the means and resources of financing terrorism, or the proceeds of crime;
 - (b) Taking of evidence or obtaining statements of persons;
 - (c) Providing information, documents and other records including criminal and judicial records;
 - (d) Communicating information available with each Party about criminal acts either committed or being planned to be committed within the territory of the other Party:
 - (e) Executing requests for search and freezing or seizure;
 - (f) Delivery or lending of exhibits;
 - (g) Serving of documents seeking attendance of persons:
 - (h) Exchanging the names of the persons criminally convicted for serious crimes on a case by case basis upon a relevant request;
 - (i) Locating and identifying persons and objects; and
 - (j) Any other assistance consistent with objectives of this Agreement.
- (4) The Parties shall
 - (a) Exchange data on persons involved in organized crime, their linkages, the structure of the criminal groups and their modus operandi; and
 - (b) Consider ways and means to facilitate mutual legal assistance in criminal matters, arrest, extradition and prosecution of Individuals and their associates engaged in crime.

Article 5

For suppression of illicit trafficking in drugs, psychotropic substances and precursors, the Parties shall -

- (a) Exchange and share information about persons involved in drug trafficking, their modus operandi as well as other relevant details of such crimes, in so far as these are necessary for the prevention or suppression of crimes;
- (b) Exchange the results of their criminal and criminological research on drug trafficking and abuse of drugs, psychotropic substances and precursors;
- (c) Share and exchange of samples of drugs and psychotropic substances of natural or synthetic origin usable for abuse;
- (d) Subject to their domestic laws and international obligations, facilitate the controlled delivery of illicit drugs and psychotropic substances in order to render possible the arrest of the persons to whom it will be delivered as well as any other persons involved in the trafficking, provided that the necessary information is submitted at least 48 hours prior to the requested action; and
- (e) Promptly exchange information about the seizures of drugs, psychotropic substances and precursors and arrest of the citizens of one Party in the territory of other Party on drug related crimes and to provide information on investigations, prosecution and related matters.

Article 6

1. The competent authorities of the Parties shall ensure the protection of confidential information delivered to them in accordance with their national legislation.
2. In case of disclosure or a risk for disclosure of confidential information delivered by the competent authorities of one Party, the competent authorities of the receiving Party shall immediately inform the other about the event, and relevant circumstances. The notification should include the consequences of the event and measures undertaken in order to prevent future disclosures.

Article 7

Documents, data and technical equipment delivered pursuant to the present Agreement can be transferred to a third country only with the approval of the competent authority of the delivering Party.

Article 8

1. For the protection of personal data delivered in the course of the cooperation, the following conditions shall apply:
 - (i) The receiving competent authorities of the one Party may use the personal data solely for the purpose and under the conditions determined by the delivering competent authorities of the other Party;
 - (ii) Upon the request of the delivering competent authorities of the one Party, the receiving competent authority of the other Party shall give information on the utilization of the personal data delivered and the results thus achieved;
 - (iii) Personal data may be forwarded solely to security and public order protection authorities. Personal data may be transferred to other competent authorities only with the previous permission of the delivering Party;
 - (iv) The competent authorities of the Parties shall take all the appropriate measures for the security of the data and their protection against accidental or unlawful destruction, accidental loss, alteration, unauthorized dissemination, or access or publication and any other form of unlawful processing; and
 - (v) The competent authorities of the delivering Party shall be responsible for the authenticity of the personal data. Should it become evident that the personal data so delivered is false, the receiving authorities of the other party must be informed about it immediately. In such a case the receiving party is obliged to rectify or destroy such false data.

Article 9

1. The Ministry of Home Affairs shall be the central authority on the side of the Republic of India.
2. The Ministry of Justice and Public Order shall be the central authority on the side of the Republic of Cyprus.
3. The Parties shall nominate such other law enforcement agencies

for cooperation in various areas under this Agreement as deemed necessary.

4. In the absence of other agreement, the English language shall be used for communication and exchange of information.

Article 10

The Parties shall set up a Joint Coordination Committee in order to promote and review the cooperation within the terms of this Agreement, which shall also include representatives of law enforcement agencies. The Committee shall meet whenever needed but not more than once a year on mutually convenient dates and the venue of the meetings shall alternatively be in India and Cyprus.

Article 11

The Joint Coordination Committee shall lay down the detailed modalities and specify law enforcement agencies on either side to exchange operational intelligence in the field of crime, terrorism and trafficking in drugs, psychotropic substances and precursors including their office address, contact telephone numbers, fax and other relevant details to facilitate contact on priority basis.

Article 12

1. The Joint Coordination Committee shall observe complete confidentialities in the conduct of its work.
2. Any confidential information provided by one Party pursuant to Agreement shall not be passed on or disclosed to a third party without express consent of the Party providing such information.

Article 13

Either Party may deny a request for cooperation, in whole or in part, if that request affects its national sovereignty, endangers its security or violates its laws and regulations.

Article 14

Any dispute arising out of the interpretation or application of this Agreement shall be settled through negotiations between the Parties through Diplomatic Channels.

Article 15

The provisions of this Agreement shall not affect the rights and obligations

assumed by the Parties pursuant to any other bilateral or multilateral agreement to which they are parties.

Article 16

This Agreement may be amended or revised, as deemed necessary, by mutual written consent of the Parties.

Article 17

1. This Agreement shall come into force from the date of exchange of instruments of ratification and remain in force for an indefinite period.
2. Either Party may at any time terminate this Agreement by giving six months advance written notice to the other Party indicating its intention to terminate this Agreement. The Agreement shall cease to have effect on expiry of the six months notice period.

The undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Nicosia on the 25th day of May in the year 2007, in two originals each in Hindi, English and Greek language, all the texts being authentic. In case of any divergent interpretation, the English text shall prevail.

**For the Government of
Republic of India**

**Pranab Mukherjee
Minister of External Affairs**

**For the Government of
Republic of Cyprus**

**Viorgos Lillikas
Minister of Foreign Affairs**



527. Agreement between the Government of the Republic of India and the Government of the Republic of Cyprus on Abolition of Visa Requirement for holders of Diplomatic and Official/Service Passports.

Nicosia, May 25, 2007.

The Government of the Republic of India and the Government of Republic of Cyprus.

Hereafter referred to singularly as the “Contracting Party” and collectively as the “Contracting Parties”

CONSIDERING the interest of both countries to strengthen their friendly relations, and

DESIRING to facilitate the entry of the citizens of the Republic of India and the citizens of Republic of Cyprus who are holders of diplomatic or official/ service passports into their respective countries,

HAVE agreed as follows.

ARTICLE 1

1. A citizen of either Contracting Party, who is in possession of a valid diplomatic or official/service passport shall be permitted to enter into, exit from and transit through the territory of the other Contracting Party through their respective international points of entry/exit without visas.
2. A citizen of either Contracting Party, holding the said passport shall be allowed to stay in the territory of the other Contracting Party for the maximum period of ninety (90) days without a visa.

ARTICLE 2

1. A citizen of either Contracting Party, who is assigned as a member of the diplomatic or consular staff in the territory of the other Contracting Party and is in possession of a valid diplomatic or official /service passport, shall not be required to obtain a visa to enter the territory of the other Contracting Party, and shall be granted, on request from the diplomatic mission/consular post concerned, within ninety days of the arrival of the diplomatic/official/service passport holder, a residence permit for period of his/her official stay.

2. A citizen of one Contracting Party being the representative of his/her country in an international organization located in the territory of other Contracting Party holding the said passport shall also enjoy the rights mentioned in paragraph-1 of this Article.
3. The facilities enumerated in paragraphs 1 and 2 of this Article shall also apply to the spouse of a member of the diplomatic Mission or Consulate or representative in international organization, their children and their dependent parents, provided they hold a similar category of passport or the children's names are entered in their father's or mother's passport.

ARTICLE 3

1. A citizen of either Contracting Party, who is in possession of a valid diplomatic or official/service passport and has to attend a meeting or conference convened by an international organization or Government, in the territory of the other Contracting Party, shall not be required to obtain a visa to enter and stay in the territory of the other Contracting Party.
2. The holders of diplomatic and official/service passports of either Contracting Party who are employed by an international organization, body, agency or any other such entity, would be required to obtain visa prior to their entry into the territory of the other Contracting Party for official or private visits.

ARTICLE 4

1. Each Contracting Party reserves the right to refuse the entry into, or shorten the stay in its territory, of any citizen of the other Contracting Party, whom it may consider undesirable.
2. If a citizen of one Contracting Party loses his/her passport in the territory of the other Contracting Party, he/she shall inform the authorities concerned of the host country for appropriate action. The diplomatic Mission or Consulate concerned will issue a new passport or travel document to its citizen and inform the concerned authorities of the host Government.

ARTICLE 5

Citizens of either Contracting Party, being holders of diplomatic or official/service passports shall abide by the laws and regulations of the other

Contracting Party while crossing its frontier and throughout the duration of their stay in its territory.

ARTICLE 6

1. For the purposes of this Agreement, each Contracting Party shall transmit to the other, through diplomatic channels, specimens of its respective passports, including a detailed description of such documents currently used, at least thirty(30) days before the entry into force of this Agreement.
2. Each Contracting Party shall also transmit to the other through diplomatic channels, specimen of its new or modified passports, including a detailed description of such documents, at least thirty (30) days before they are brought into force.

ARTICLE 7

Each Contracting Party reserves the right for reasons of security, public order or public health, to suspend temporarily, either in whole or in part, the implementation of this Agreement, which shall take effect immediately after notification has been given to the other Contracting Party through diplomatic channels.

ARTICLE 8

Either Contracting Party may request in writing, through diplomatic channels, a revision or amendment of the whole or part of this Agreement. Any revision or amendment, which has been agreed to by the Contracting Parties, shall come into effect on a date to be mutually agreed upon and shall accordingly form part of this Agreement.

ARTICLE 9

Any difference or dispute arising out of the implementation of the provisions of the Agreement shall be settled amicably by consultation or negotiation between the Contracting Parties without reference to any third party or an international tribunal.

ARTICLE 10

This Agreement shall enter into force on a date to be mutually agreed upon by the Contracting Parties, which shall be notified through the exchange of Diplomatic Notes. This Agreement shall remain in force for an indefinite

period and may be terminated by either Contracting Party by notification through diplomatic channels, which shall enter into force ninety (90) days after the date of such notification.

IN WITNESS WHEREOF, the undersigned being duly authorised by their respective Governments, have signed the present Agreement.

Done at Nicosia on this 25th day of May in the year two thousand seven in two(2) originals; in Hindi, Greek and English languages, all texts being equally authentic. In the event of any divergence of interpretation, the English text shall prevail.

**FOR THE GOVERNMENT OF THE
REPUBLIC OF INDIA**

**Pranab Mukherjee
Minister of External Affairs**

**FOR THE GOVERNMENT OF THE
REPUBLIC OF CYPRUS**

**Yiorgos Lillikas
Minister of Foreign Affairs**



CZECH REPUBLIC

528. Press Release of the Ministry of External Affairs on the visit of Czech Foreign Minister Karel Schwarzenberg.

New Delhi, November 16, 2007.

1. The Foreign Minister of the Czech Republic, Mr. Karel Schwarzenberg is visiting India from November 18 to 21, 2007.
2. During his visit, the Czech Foreign Minister will hold discussions with the External Affairs Minister, who will host a dinner in his honour. The visiting dignitary will also hold talks with the Minister of New and Renewable Energy. The Czech Foreign Minister will also visit Skoda automobile factory in Aurangabad.
3. India and the Czech Republic have traditionally enjoyed warm and friendly relations dating back to medieval ages, the Kingdom of Bohemia. India's trade and economic links with Czechoslovakia also pre-date our independence. Czechoslovakia established a Consulate in Bombay in 1920 and in Calcutta soon thereafter. This year, India and the Czech Republic are celebrating 60th anniversary of establishment of diplomatic relations commencing from November 13, 2007. A number of Czech companies such as Skoda Auto, Czech Shoe Company, Bata Works, Tatra Joint Venture established an early presence in the country. Indian and NRI investors as Mittal Steel, Infosys Technologies, Ashok Leyland and Tata Tea have established presence in the Czech Republic.
4. The visit is taking place against the backdrop of significant increase in bilateral trade and investment consequent to the robust economic growth in India. Bilateral trade has shown significant growth during last few years, topping USD 665 million in 2006. In 2007 up to August 2007, bilateral trade reached USD 605 million, with Indian exports of USD 263 million and Indian imports of USD 342 million. The Joint Press Statement issued during the visit of Czech Prime Minister in January 2006 envisaged trade turnover of USD 1 billion by 2010. It appears that the target may be achieved this year.
5. Indian students are increasingly attending professional courses such as medical, dental and engineering in Czech institutions. Cooperation between CSIR and the Czech Academy of Sciences is ongoing and both sides are exploring ways to take this further.

6. A Memorandum of Cooperation between the Foreign Service Institute and the Czech Diplomatic Academy is to be signed during the visit.
7. The visit of the Czech Foreign Minister follows the visits of Czech President in November 2005 and Czech Prime Minister in January 2006. These high level visits have served to enhance our political and economic ties significantly.



529. Memorandum on Cooperation between the Foreign Service Institute of the Ministry of External Affairs of the Republic of India and the Diplomatic Academy of the Ministry of Foreign Affairs of the Czech Republic.

New Delhi, November 16, 2007.

The Foreign Service Institute of the Ministry of External Affairs of the Republic of India and The Diplomatic Academy of the Ministry of Foreign Affairs of the Czech Republic hereinafter referred to as the "Parties";

Desirous of establishing and developing cooperation regarding diplomatic staff training;

Have reached the following understanding:

Article 1

This Memorandum is intended to create conditions for maintaining regular, contacts and promoting cooperation between the two diplomatic institutions..

Article 2

The Parties agree that a priority task of such cooperation is to elaborate and introduce modern methods in training specialists in the field of foreign diplomacy, international relations, international law, foreign economic relations, political science and other subjects of the curriculum as well as to inform each other on matters relevant to teaching techniques along with the exchange of relevant literature and publications.

Article 3

The Parties will cooperate through programs of basic and specialized

courses. The Parties may exchange teaching materials. On the basis of reciprocity, the Parties may exchange experts, scholars, lecturers and diplomatic trainees with a view to upgrading their professional qualifications. The Parties will exchange experience concerning the organization of teaching institutions.

Article 4

The Parties may organize participation of their respective experts in conferences, symposia and panel discussions, by informing each other of these activities in advance.

Article 5

The Parties will promote the organization of meetings of Foreign Ministry officials and representatives of diplomatic missions of the two countries with the students and the faculty of the Academies on issues of mutual interest.

Article 6

The Parties will decide the specifics and logistics of every project they undertake together. For this purpose, a protocol laying down the financial terms and conditions of the proposed exchanges will be concluded, if necessary.

Article 7

The Memorandum shall enter into force on the day of its signature and shall remain in force for a period of three years. Thereafter, it may automatically be renewed for similar three-year periods at a time, unless terminated by either Party by giving a written notice of 90 days to the other Party prior to the date of the termination of the Memorandum, The termination of this Memorandum shall not affect ongoing projects unless the Parties decide to do so.

Article 8

Any differences and disputes that may arise from the interpretation or implementation of the present Memorandum on Cooperation shall be settled amicably through direct mutual consultations between the Parties.

Article 9

This Memorandum on Cooperation may be amended by mutual written agreement of the Parties.

Done in New Delhi on this 16th day of November 2007 in two originals, of each Hindi, Czech and English languages, all texts being equally authentic. In case of any divergence in interpretations, the English text shall prevail.

**On behalf of the Foreign Service
Institute of the Ministry of
External Affairs
of the Republic of India**

**On behalf of the Diplomatic
Academy of the Ministry of Foreign
Affairs of the Czech Republic**

**Dean of the Foreign
Service Institute**

Director of the Diplomatic Academy



GERMANY

530. Briefing by Official Spokesperson on the visit of German Chancellor Dr. Angela Merkel.

New Delhi, October 29, 2007.

Official Spokesperson: Good afternoon, everybody.

You may be aware that Chancellor of the Federal Republic of Germany, Her Excellency Dr. Angela Merkel, will be beginning her State visit. She arrives tonight. She is here at the invitation of Prime Minister Dr. Manmohan Singh. She is being accompanied by a high-level delegation including the Federal Minister of Research and Education, Dr. Annette Schavan and her Political and Security Advisor Dr. Christoph Heusgen. She will also be accompanied by a 30-member business delegation.

Several meetings are planned during the state visit. She would be meeting the President of India, Vice-President of India, Prime Minister of India, the Chairman of UPA and there will be calls by External Affairs Minister and by Leader of Opposition

The Prime Minister and the Chancellor will together flag off the Science Express, which is a train which will be showcasing India and Germany's cooperation in the science and technology field. The exhibition will be travelling around India for a year.

After the engagements in Delhi, which will be essentially all of tomorrow, she will be visiting Mumbai. There she will meet the Governor and Chief Minister of Maharashtra, and will also address the CEO's Round Table. This will be the first meeting of the CEO's Round Table, and will be held in Mumbai. That is so much for the broad programme. You have the detailed advisory already giving you the times of the various events.

To give you some background on the relationship, as you know we have traditionally warm and friendly relations with Germany. In 2000, the two countries adopted the agenda for the Indo-German Partnership in the 21st Century which imparted the strategic dimension to this relationship. Since then there has been considerable progress in several fields particularly cooperation in science and technology, defence, culture, economic relations and, of course, the bilateral exchange both at political levels and at experts level has been intensified

In terms of the several cultural milestones which we have passed in the last two years, India was featured in 2006 as the Year of India in Germany. India was the partner country at the Hanover Fair in 2006, which was jointly inaugurated, you will recall, by Chancellor Merkel and by Prime Minister Singh. India was also the focus country at the Bonn Biennial Art Festival in May 2006 as well as the guest of honour country in the Frankfurt Book Fair in the same year in October. India was the partner country in the International Tourism Bourse in Brazil in March this year. And the India Day was held at the Frankfurt International Motor Show in September 2007. So in many ways India has been a flavour of the year in Germany.

In trade and economic relations there has been a significant increase. Germany is India's largest trade partner in the European Union, and the second most important source of technological collaboration globally and an important investor particularly in the area of upgradation of infrastructure. Bilateral trade has crossed ten billion Euros in 2006 showing an increase of 39 per cent over the previous year. This was the target which was meant to be reached in 2009 and, therefore, has been reached three years ahead of schedule. Germany is 7th largest investor in India with total inflows of US dollar 1.9 billion between 1991 and June this year.

One of the major elements of cooperation remains science and technological cooperation. An Indo-German Science and Technology Research Centre is being set up to facilitate cooperation in industrial and basic research and ensuring that scientific breakthroughs are turned into practical applications. I have already told you about the Science Express. In education our links are expected to be strengthened with India having created five rotating chairs in prominent German universities.

At the conclusion of the bilateral talks tomorrow there will be a joint statement which will be issued which will show the strategic roadmap not only for the future cooperation but also for our strategic partnership of shared cherished values in the global arena. We also expect several agreements and memoranda of understanding to be signed during the visit which will be covering fields of defence, cooperation, science and technology and intellectual property rights.

That is the visit that begins tonight.

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Question: Could you elaborate on the nature of defence cooperation (with Germany)?

Official Spokesperson: As I said, it has been growing. In terms of what is going to be happening I will only be able to tell you tomorrow after what we agree to when the talks are held and we sign the Memorandum of Understanding.

Question: Regarding the political cooperation with Germany ... (inaudible)... the Chancellor... (inaudible)... some German officials are saying that they want to take the relationship beyond science and technology and economic cooperation. What is India's stand on that?

Official Spokesperson: Certainly, political cooperation has been growing very significantly since a strategic dimension to the relationship was added following the adoption of the Indo-German Partnership in the 21st Century. That cannot be complete without political cooperation of the closest kind both in bilateral relations as well as in the international arena.

We have been cooperating quite closely with each other by keeping each other closely briefed through meetings at the highest level and also, wherever possible, aligning positions given the democratic values of both countries. Our position on the UN reforms is one such case in point. Similarly, our position on how we see international phenomena like terrorism is another case in point as well as several regional issues there has been very active, close exchange of views and an alignment of positions on several areas. So, certainly we would like to see this process strengthened.

Question: Will India be seeking Germany's help in the Nuclear Suppliers Group?

Official Spokesperson: I am not going to be able to tell you about what all the Prime Minister and Chancellor Merkel will discuss. It is a full scale bilateral discussion and I expect a number of issues of mutual interest will be discussed.



531. Joint Press Conference by Prime Minister Dr. Manmohan Singh and Chancellor of Federal Republic of Germany Dr. Angela Merkel.

New Delhi, October 30, 2007.

Prime Minister Dr. Manmohan Singh: Your Excellency Chancellor Dr. Angela Merkel, Distinguished Guests, Ladies and Gentlemen of the Press:

I once again extend a very warm welcome to Chancellor Merkel on her first visit to India.

Chancellor Merkel and I have had extremely warm, fruitful and intensive discussions. We have reaffirmed our strong mutual commitment to the strategic partnership that was launched in 2001.

The signing of several bilateral agreements today, and the Joint Statement on the Further Development of the Strategic and Global Partnership between India and Germany will impart a new and substantive momentum to our relations.

We both recognize the long-term potential of Indo-German economic and trade relations. Germany has become our largest trade partner in Europe and the fourth largest globally. I conveyed to the Chancellor that we welcome German investment, particularly in areas of Germany's proven technological strengths.

Science & Technology and cooperation in high technology areas remains an important dimension of our relations. This morning Chancellor Merkel and I launched the Science Express which is symbolic of our longstanding collaboration in this field.

We reviewed prospects for intensifying cooperation in the areas of infrastructure, energy, defence, education, culture and vocational training. We spoke about the need to facilitate people-to-people contacts.

We also discussed regional and global issues.

India and Germany share common values of democracy, rule of law, and fundamental freedoms. We recognize the need to create an equitable international order which reflects contemporary realities, and is conducive to meeting the challenges of poverty and disease. We reaffirmed our common resolve to combat international terrorism, and to work towards an early and balanced outcome of the Doha round of talks.

I conveyed my appreciation to Chancellor Merkel for her leadership and keen interest on the issues of climate change and energy security. I would like to thank Chancellor Merkel for her endorsement of the idea of per capita entitlements, and the need for developed countries to accept convergence of per capita Green House Gas emissions of developing countries with theirs.

I invite Chancellor Merkel to make her comments.

Chancellor Dr. Angela Merkel: *Allow me to first of all thank you most warmly, Prime Minister Dr. Manmohan Singh and the whole of the Indian Government, for the very warm and very gracious hospitality extended to me and to the members of the German Delegation. Let me say that we are delighted to be your guests in your country. Let me also tell you that I am firmly convinced that this visit will contribute to further enhancing the strategic partnership between our two countries, a partnership that covers many areas, not only the area of politics but also the economy, business relations and economic cooperation in general.*

What fuels our cooperation and what is really the driving force behind this excellent cooperation is particularly the very dynamic economic relationship between our two countries. We envisaged to actually achieve the goal of a 10 billion exchange of goods by the year 2010. I am very gratified to be able to tell you that we have already achieved this volume of trade exchanges at this point in time. So, we have decided to be even more ambitious until 2012 and to double that number by that time. So, we can safely say that business relations, our economic relations indeed are the driving force behind this relationship. I must say that I feel very encouraged by the fact that the Indian Government has actually thrown its full weight behind this economic relationship and behind this partnership in general.

One of the flagships of our cooperation is obviously the cooperation in science and research. We have already embarked on that in the past and we are going to continue that in the future. The Science Express is the very symbol of this very broad-based cooperation between our two countries. You can also see how important this is by the sheer number of agreements and memoranda of understanding that have been signed here just now. We continue to work together with India in the future, particularly in the area of science but also more comprehensively in the overall issue of education.

We would like to continue on the successful cooperation also in the area of development cooperation. We would like to continue over the existing level of development cooperation and further enhance it to include, for example,

issues related to climate change, energy efficiency, energy supply and also renewable energies. On this last there are currently new possibilities that are being explored in negotiations between the two Ministries that are in charge on both sides.

We addressed also other issues that we would like to continue in the area of bilateral cooperation. We have said that we are going to continue to build on the existing level of bilateral cooperation and further enhance it in the next few years to come. We have also covered the whole spectrum of international issues, multilateral tasks that we see ahead for our two countries, most of these issues having to do with conflicts, for example, here in this region. We touched on the issue of Myanmar but also on issues related to overall cooperation, for example again, climate protection, but also the issue of Afghanistan. So, you can see that this is indeed a cooperation that covers a lot of different issues and is very broad-based in nature.

Thank you very much for giving us the opportunity to hold this very broad-based, very intensive exchange of views here. I know that we are going to have time later on over dinner to continue these exchanges of views. I would now also like to tell you that I am absolutely convinced that Germany and India can do a lot together and that they want to do a lot together also in the future.

Allow me to add a brief remark. I have already pointed this out to the Prime Minister previously that I was probably going to make this announcement. I have just been informed that Germany has been made hosts for the World Cup Women Soccer that is in 2011. So, a word of congratulations goes out to the team, to my fellow countrymen. I have the assurances of the Prime Minister that he is very happy for Germany for the fact that we have been able to win this World Cup for our country. Let me assure you that we will try to be very good hosts again. I would also like to congratulate here the German Soccer Federation for the efforts that it put into this. I would also like to congratulate the fans of the team in Germany. I am absolutely certain that they will again turn the summer of 2011 into a fairy tale summer for soccer, and this time it is going to be for the women's team.

Question (German Media - ZDF Television): This is a question addressed to both the Chancellor and to the Prime Minister. The subject of my question is the nuclear deal between the United States and India. Did you address that issue during your conversation? What is your opinion on this, Chancellor? What sort of plans do you have, Prime Minister, on the nuclear deal? We understand that you have certain problems here in India to actu-

ally implement that deal, to turn it into a reality. What does this mean, Chancellor, for the German business community? Do you think it will have any impact? Will it open doors or will it rather close it to them?

Prime Minister Dr. Manmohan Singh: I and the Chancellor had a very fruitful discussion on this whole issue of civil nuclear cooperation between India and the international community. I explained to Her Excellency that the 123 agreement that we have signed with the United States is an honourable deal, good for India, good for the world, good for the cause of nonproliferation. We have run into some problems domestically which we are trying to resolve. But as far as our Government is concerned, we remain committed to see that this process is carried forward. For this we need to evolve a broad-based consensus in our country and efforts are on in that direction.

Chancellor Dr. Angela Merkel: *We did raise the issue and the Prime Minister explained to me the internal situation in India, and I underlined that from the point of view of Germany we have every interest to see India being committed by and incorporated in the international regimes in this respect to the best extent possible so as to ensure the maximum transparency on that particular issue. We would then hope that the IAEA rules would be abided by India and that out of that would follow obviously the further rules and agreements that are relevant to this issue. One would hope that further progress would be made in this respect on the basis of the IAEA rules. Once that is in place, once that cooperation with the IAEA is in place, then Germany and India could do, I suppose, a lot together on that basis and in the area of the peaceful use of nuclear power. Whether any sort of business activity will arise out of that is up to the business community to decide.*

Question (Indian Media - NDTV): I have a question for the Prime Minister. In the last few days more and more senior American officials are speaking out about the need for India to take the next steps on the nuclear deal and to take them quickly. Are you worried that if India does not take the next steps quickly, it would be more difficult for us to get this deal through?

Prime Minister Dr. Manmohan Singh: I have already mentioned that efforts are on to evolve a broad-based national consensus. We are a democracy, and in a democracy ultimately you have to take all those who are supporting you along with you. That process is under way. I would not like to speculate what would be the consequences. There is I think some delay, but we have not I think reached the end of the road.

Question (German Media - DPA): I would like to ask two questions really. As to the genuine and real chances for achieving a permanent seat on an enlarged Security Council, did you address that issue? How do you assess those chances? My second question is directed to the Federal Chancellor. How do you feel looking at the praise that you have garnered today?

Prime Minister Dr. Manmohan Singh: We had a very fruitful discussion on the whole issue of the Security Council reform. As you know, India and Germany are part of the G-4 process. All the four countries who are members of G-4 are convinced that if the Security Council is to reflect the realities of the 21st century, there is need for reform. We recognize that there is a growing support for the reform of the Security Council. But there are still hurdles and our two countries have agreed to work together in this area.

Chancellor Dr. Angela Merkel: *Yes, we had an exchange of views on this question of a permanent seat and we are going to continue our cooperation within the G-4 on that particular issue. We have an interest in a reform of the Security Council of the United Nations. We both have an interest in giving our two countries a higher profile within the United Nations through a permanent seat. We are going to continue to be in contact on that issue. We would also have to look at, and that obviously is what presupposes any success in this, whether there is a reform enthusiasm still within the United Nations, whether that reform spirit is again gaining momentum. It seems to have been waning somewhat but, I think, one ought to be optimistic on that particular front.*

On the issue of praise, when I receive praise I take it as praise of Germany as a whole. But it is certainly true that I personally feel that I am also strengthened by words of praise in the sense that I feel strengthened to tackle more political problems wherever they may arise.

Question (Indian Media - Indo Asian News Service): This question is addressed to the German Chancellor. People-to-people contacts are at the heart of any strong bilateral relationship. Is Germany going to liberalize its visa regime and immigration rules to allow more Indian businessmen and workers in? Are there any difficult issues in this area?

Chancellor Dr. Angela Merkel: *On that allow me to point out the fact that over the past three years we have actually been able to increase the number of Indian students studying in Germany by a factor of five. We are going to continue to work closely together in this respect. There are also many companies in Germany who train young Indians in Germany, for example, Deutsche Bahn is only one of these companies. We are aware of this issue*

of visa. We do see it. We do see the need also for discussing that because it is certainly true that the expectations on the Indian side have to match the legal situation, the legal system as it exists in our country. There are a number of issues here that simply need to be addressed and need to be overcome because we obviously want to avoid a situation where an Indian entrepreneur wishes to come to Germany to invest there and is hindered by the fact that he or she will not be granted a visa.

[Text in italics is translated by German interpreter]



532. Joint Statement on the Further Development of the Strategic and Global Partnership between India and Germany.

New Delhi, October 30, 2007.

1. Prime Minister Manmohan Singh and Chancellor Angela Merkel have reaffirmed today their commitment to the strategic partnership between India and Germany. The special partnership has already led to growing cooperation in global affairs and substantial expansion in the bilateral engagement in multiple fields. Within the framework of the Agenda for the Indo-German partnership in the 21st century adopted in 2000 and the Joint Statement issued on the occasion of the visit of the Prime Minister of India to Germany in April 2006, India and Germany will enhance the scope of their partnership with a view to strengthen it, based on shared principles, common perceptions and interests.
2. India and Germany share and promote universal values of democracy, rule of law, human rights and fundamental freedoms including religious, which are best realized in a pluralistic environment. They share a vision of peace, security and common opportunity in global affairs. They have shared interests in overcoming and finding solutions to key global challenges - amongst others poverty, diseases such as HIV/AIDS, the environmental and climate change, energy security, UN reform, international crime including cyber crime, illegal migration and trafficking in people, the proliferation of weapons of mass destruction and their delivery systems, and international terrorism. Co-operation will be further enhanced on these issues, both bilaterally and in regional and international fora.

3. India and Germany share the vision of further strengthening their partnership through new initiatives in the spheres of trade and bilateral investment, energy, science and technology, education, culture, defence. They see considerable potential for growth in all these fields.
4. India and Germany are strong partners in the field of science, technology and research and are determined to further developing this central pillar of their strategic partnership. The establishment of the Indo-German Science and Technology Centre, and the launch of the Science Express, which will carry an exhibition, designed and fabricated by the Max Planck Society, to numerous Indian cities in the course of the next year, are significant contributions reflecting this cooperation. Both sides are actively pursuing cooperation in the space sector including in the Chandrayaan project. Germany's support to India's participation in ITER and India's commitment to participate in the FAIR project was welcomed and appreciated.
5. Trade, investment and education belong to the core of the Indo-German partnership and collaboration. Both sides noted with satisfaction that bilateral trade has doubled within three years and agreed to work towards an annual trade volume of 20 billion Euro for 2012. The upward trend in two-way investments between India and Germany is a welcome development that needs further acceleration. Infrastructure and energy need to be concentrated on as sectors for mutually beneficial investments. They should take into account the complementary nature of the skills, resources and opportunities available in the two economies.
6. Transport infrastructure in India and transport links between India and Germany are vital components of our economic and trade relations. Railways and power generation are two areas wherein German investment in India would be to mutual advantage and would generate spin-off benefits to Indian and German industry. The two sides agreed to look for innovative ways and means to achieve this objective. India appreciates Germany's long-standing engagement in the area of vocational training. Both sides agreed to explore new avenues for further cooperation in this field including through public-private partnership.
7. The two sides underlined the importance of business to business links to further economic cooperation. They welcomed the meeting of a CEOs Round Table of Indian and German business leaders in Mumbai. In the light of the rapidly growing trade and economic relations and the rapidly evolving pattern of international competitive advantage, it was agreed

to facilitate movement of persons and professionals between the two countries in accordance with national legislation. Both Governments acknowledge the considerable potential for cooperation in the services sector. In this context, there was agreement on the need for the early conclusion of a Social Security Agreement, both for individuals and companies in the two countries. The two sides shared the assessment that further enhancement of bilateral air traffic relations would underpin the growing trade relationship between both countries.

8. Both sides reaffirm the development cooperation between Germany and India as an example of excellent bilateral work, innovation and alignment of development priorities. The mutually agreed priority areas focus on energy, environment and sustainable economic development. Indo-German cooperation promotes social security systems, development, micro financing and rural cooperative banking. The Rural Cooperative Credit Project / Linkage Banking Project, a programme of Indo-German development cooperation, was noted as an example. A new financial commitment by Germany of 150 million Euro likely to be concluded in November 2007 to promote energy efficiency and renewable energy projects was appreciated. These projects reinforce the common goal of both sides to produce clean energy and protect the global climate.
9. India and Germany recognise the urgent need to find effective and practical solutions to address concerns regarding climate change and its implications for human kind. These would include mitigation and adaptation strategies in a manner that supports further economic and social development in particular of developing countries. Long-term convergence of per capita emission rates is one of the important principles that should underpin negotiations in the context of the United Nations. Both sides reaffirmed their commitment to the United Nations Framework Convention on Climate Change (UNFCCC) in accordance with their common but differentiated responsibilities and respective capabilities. India and Germany call on all parties to actively and constructively participate in the negotiations on a comprehensive post-2012 agreement for which the UNFCCC Conference in Indonesia in December 2007 would be significant.
10. The activities and follow up of the Indo-German Energy Forum were noted with appreciation. The MoU between the Energy Agencies of both countries signed during the visit of the Indian Minister of Power in

Germany in 2006, the Indo-German Symposium on Energy Efficiency as well as the Indo-German Environment Forum both to be held in New Delhi in 2008 will generate additional momentum for the bilateral political dialogue on energy. It will equally foster the identification of cooperation projects in this field. The early conclusion of an MoU on Clean Development Mechanism (CDM) projects will further strengthen this process. India and Germany noted with satisfaction the growing bilateral CDM cooperation with 21 approved projects at present.

11. They emphasized the need for ensuring the supply of safe, sustainable and non-polluting sources of energy to meet the rising global demand for energy, particularly in developing countries.
12. There was agreement that the enlarged bilateral defence cooperation on the basis of the Defence Cooperation Agreement, including the bilateral dialogue on export control, marked the development of a new phase to enhance the strategic partnership. It is envisaged to include exchange of information and cooperation in the fields of defence technological research, armament procurement projects including project related development and technology as well as general defence technology.
13. India and Germany strongly support an early, fair and substantive outcome of the Doha Round of multilateral trade negotiations. They bear common responsibility for a successful conclusion of the Doha Agenda with focus on the development dimension and stress the necessity to overcome the existing differences in the Doha Round for the benefit of all WTO member states. Close cooperation between India and Germany will make a significant contribution to achieve a balanced and comprehensive agreement.
14. India and Germany noted with satisfaction the growing partnership between India and the EU. They welcomed that negotiations have begun between India and the EU to arrive at a broad-based Trade and Investment Agreement in accordance with the decision reached at the India-EU Summit in Helsinki in 2006. They look forward to the forthcoming India-EU Summit which will further the India-EU relationship.
15. India and Germany recognise that a strengthened multilateral system, including a reformed UN Security Council that would reflect the realities of the 21st century, enhances global cooperation and security. Both sides will continue their close cooperation bilaterally and in the framework

of the G4 for the strengthening of the multilateral system and towards early realisation of reform of the United Nations, including the expansion of the UN Security Council, in both permanent and non-permanent categories of membership. India and Germany reaffirmed their firm support for each others' candidature for permanent membership on an expanded UNSC.

16. Terrorism is a global threat requiring a global response. Both sides underline the importance of joint international efforts in countering terrorism which is not justified under any circumstances. They agree to intensify mutual exchange of views, experiences and practical cooperation in the fight against terrorism, both through bilateral channels and in multilateral forums. They shall strengthen cooperation through the Indo-German Joint Working Group on Counter-Terrorism and in the EU framework, as well as in pursuing as soon as possible agreement in the UN on the Comprehensive Convention against International Terrorism. They will share experiences and increase co-operation, including joint operational work between police and law enforcement agencies. The conclusion of a Treaty on Mutual Legal Assistance in Criminal Matters would further strengthen the bilateral efforts.
17. Both sides share the view that proliferation of weapons of mass destruction and its linkages with terrorism pose a great threat to international peace and security. India and Germany share the vision of a world free of weapons of mass destruction, a goal towards which they will work together.
18. India and Germany reaffirm their commitment to strengthen their comprehensive strategic partnership for the benefit of both their peoples and the international community based on universal values of democracy and pluralism. A stronger partnership between India and Germany, two major democracies in Asia and Europe, acting in concert in international institutions, enhances global cooperation and security. Both sides stressed the commitment to work towards promoting international peace, stability and security, development and the eradication of poverty.



GREECE

533. Address of President Dr. APJ Abdul Kalam to the thinkers of Greece organized by Eliamep, Athens, Greece.

Athens, April 26, 2007.

Dynamics of Peace and Prosperity

"Virtue is Knowledge" - Socrates

I am delighted to address and interact with the eminent thinkers of Greece, organized by the Hellinic Foundation for European and Foreign Policy (ELIAMEP). My greetings to the organizers, researchers and distinguished participants. Greece and its people have a special place in the hearts of Indian people. I have a very special sense of elation in standing before you to address this august body on the hallowed grounds of this great country, which had made a mark on the civilisational map of the world, millennia ago. The land of Iliad and Odyssey, that of Homer, Socrates, Plato and Aristotle had been the toast of those who delved into history not only for literary enjoyment or educational enlightenment, but for spiritual and philosophical fulfillment also. I am particularly happy to be addressing you today because my thoughts go back to my own country whose civilisation also dates back to many millennia ago and has also, like that of yours, been rich in content and extensive in reach. In one of his addresses, Dr. S. Radhakrishnan, who was the philosopher President of India, referred to comparisons between the knowledge centers of civilisations of India and Greece. The Delphi Temple says "know thyself" just as the Upanishads say "atmanam viddhi". He also stated that the greatest of civilisations "does not depend upon the extent of territory which they have or the size of the population which they embrace but it depends upon the artistic, intellectual and spiritual achievements of the countries themselves.....". He referred to a great ancient Bishop of the last century who had made out that Greece and India were the two metaphysical nations of the world - the former contributing to the western civilization and the latter to the eastern.

I was thinking what thoughts I can share with this intellectual audience. While substantial amount of development has taken place during the 20th century and it has improved the conditions of human lives, still we are

faced with conflicts in our day-to-day pursuit of life. Keeping this in mind, I have selected "Dynamics of Peace and Prosperity" as the topic for initiating discussion today.

Unity of Minds

I was studying the classic "Dialogues of Plato", where Plato brings out "our aim in founding the State was not the disproportionate happiness of any one class, but the greatest happiness of the whole" in 2400 years ago. Similarly, during the same period Tamil poet Saint Thiruvalluvar said,

... "the important elements that constitute a nation are: being disease free; wealth; high productivity; harmonious living and strong defence". We have to find how we can provide all these elements to all the citizens of the nation on an equitable basis for happiness for all. This may result in an extremism free world, a peaceful world. I would like to first discuss with you my personal experience in exploring what brings happiness to the human beings.

During the year 2003, I visited one of the Indian states, Arunachal Pradesh, I visited a Buddhist monastery at Tawang 3500 m. altitude. I stayed and spent some time nearly for a day. I observed a unique situation in all the villages nearby where young and experienced were all radiating happiness in spite of severe winter environment. Then, I visited the 400 years old Tawang monastery itself and there also I saw monks of all age groups in a state of serenity. I was asking myself what is the unique feature of Tawang and surrounding villages which makes people and monks to be at peace with themselves. When the time came, I asked the Chief Monk, how in Tawang villages and monastery, I am experiencing peace and happiness being radiated by everyone. There was a pause, the chief monk smiled. He said, "You are the President of India. You will be knowing all about us and the whole nation. Again I said, "It is very important for me, you please give me your thoughtful analysis".

There was a beautiful golden image of Lord Buddha radiating smile and peace. The Chief Monk assembled nearby all his nearly 100 young and experienced monks. The Chief Monk and myself were sitting amidst them. The Chief Monk gave a short discourse, which I would like to share with you. Chief Monk said, "In the present world, we have a problem of distrust, unhappiness transforming into violence. This monastery spreads: when you "Remove "I" and "Me" from your mind, you will eliminate ego; if you get rid of ego, hatred towards fellow human beings will vanish; if the hatred goes out of our mind, the vio-

lence in thinking and action will disappear; if violence in our mind is taken away, peace springs in human minds. Then peace and peace and peace alone will blossom in the society". I realized the meaning of beautiful equation for peaceful life, but difficult mission for the individual is how to remove the ethos of "I" and "ME". For this, we need the education inculcated in the young age as propagated by Greek and Indian philosophers.

In my search for evolving a peaceful and prosperous society, I got part answer. My search for real truth continues. I saw an ancient Christian monastery in Bulgaria, where I had a discussion with highly experienced monks on the message of Tawang. The Monk added that forgiveness is also the foundation of good life. Similarly in the birth place of Swami Vivekananda, I explained the Tawang experience to the disciples and they too felt the Tawang experience indeed is beautiful and they added "Trait of Giving " will add to peace and happiness. Then I visited Ajmeer Sharif where I participated in the Friday Namaz. Here, the Sufi expert told me that Almighty's creation, the man, has been challenged with another powerful creation of Shaitan. Only good deeds lead to good thinking, good thinking results into actions radiating love as commanded by Almighty. While talking about good deeds, I am reminded of the advice given to Gandhiji by his mother. She says,

"Son, in your entire life time, if you can save or better someone's life, your birth as a human being and your life is a success. You have the blessing of the Almighty God".

This advice has made a deep impact in the mind of Gandhiji, which made him to work for the humanity throughout his life. During the 100th birthday of His Holiness Sree Sree Shivakumara Swamiji of Sree Siddaganga Math, Tumkur, Karnataka, a southern state of India - a message of "Giving" came to my mind celebrating his contribution, which I would like to share with you

"Radiating message on Giving"

"O my fellow citizens, In giving, you receive happiness,

In Body and Soul.

You have everything to give.

If you have knowledge, share it.

If you have resources, share it with the needy.

Use your mind and heart,

To remove the pain of the suffering,

And, cheer the sad hearts.

In giving, you receive happiness.

Almighty will bless all your actions."

What message do we get from all these experiences? All these experiences give an insight that human beings can attain lasting peace and happiness only when they rise above their selves and work towards serving others without external temptation. Is it utopian goal or is it practicable in day-to-day life? I have come across many incidents where people have, irrespective of their normal professional affiliations, have come forward for great societal missions by giving.

Punjab Experience in reviving the waterways

Last year, I was in Punjab, a northern state of India. There, I visited Sultanpur Lodhi and saw the marvelous development which has taken place on the river Kali Bein. I was delighted to see the rejuvenated Kali Bein, the place where the revered Sikh Guru Gurunanak Devji is said to have received enlightenment. Over the years this rivulet had turned into weed choked drain. Now, river is clean due to the efforts of Baba Balbir Singh Seechewal, a priest in a Gurudwara temple and his team. Babaji had organized people's participation in stopping the massive flow of sewage into the Bein and cleaned 160 km long polluted and choked rivulet within the last five years by deploying on an average 3,000 kar sevak (volunteer pilgrims) per day. Today one can feel the flow of fresh water in this rivulet released from the Tarkina Barrage by the government. The revival of the rivulet has recharged the water table as the hand pumps that had become dry for the past 4 decades are now pumping out water. Also, I saw speed boats running on the river. The 3 kms stretch which I physically saw was a beautiful site to watch with nice bathing ghats, tree orchards on the bank of the river and well laid out roads parallel to the river. I also saw the great happiness of giving on the faces of the volunteers who had physically participated in this task. This is a great example of giving and happiness arising out of giving. In the context of "Giving, nations all around" have the responsibility of promoting peace and prosperity.

Confluence of Civilizations

The Greece and India have the unique responsibilities in radiating the thinking process to the world, how to establish integrated way, peace and pros-

perity of nations. This topic, I have gone into details, while addressing to EU Parliament on 25 APR 2007. Of course 27 members from Greece represent the EU Parliament. I have given a three dimensional approach "Education with value system", "Religion transforming into Spiritual Force" and "Economic Development of the nation to remove the disparities in the society". The members assembled here may like to refer my talk on the website www.presidentofindia.nic.in.

Now, I would like to talk to you about the present ambience in India and the dreams, that will pave the way for intensifying our cooperation towards national prosperity and world peace.

Ascent Phase

India is in an ascending economic trajectory, with continuously rising foreign exchange reserves, moderate rate of inflation, global recognition of our technological competence, energy of 540 million youth, umbilical connectivities of 20 million people of Indian origin in various parts of the planet. India as the largest democracy in the world has the reputation for providing leadership to one billion people with multi-cultural, multi-language and multi-religious backgrounds. Our technological competence and value systems with civilizational heritage are also highly respected. Foreign Institutional Investors are finding investing in India attractive. We are in the process of accelerating our clearance system of investment proposals. Our industrialists are also investing abroad and opening new business ventures. The Indian economy is growing with an average annual GDP growth rate of over 8 to 9%. Very soon, we will be reaching the target of 10% GDP growth rate. Now, I would like to talk to you about the possible Indian ambience in 2020.

Possible Ambience in 2020

I visualize a prosperous India well before the year 2020. We expect the people below the poverty line to come to near zero and our literacy must be nearly 100%. The Human Development Index of India will be less than 50. Every Indian will have either a good university degree or quality training with globally competitive employable vocational skill. E-governance would be in position for all Government to Government (G2G) and Government to Citizens (G2C) transactions making the governance system transparent with a National ID card in position. Tele-density will reach over 75%. All our villages will have reliable, uninterrupted quality electric power supply. 600,000 villages will have all three connectivities such as physical connectivity, electronic connectivity, knowledge connectivity leading to economic connectivity through the programme of PURA (Providing Urban Amenities in Rural Areas). The

interlinking of rivers and water bodies and use of technology for water collection, water recycling and water management will result in equitable distribution of water for drinking, irrigation, industry, navigation and as natural beauty. There will be no shortage of water in any part of the country nor will there be disasters due to floods, water logging etc. India would have realized energy security and would be working towards energy independence. Good sanitation facilities will be available in homes in every part of India and for all Indians and tourists. We will be using more of renewable energy such as solar energy, wind power, bio-mass, mini and micro Hydel and thorium based nuclear reactors which are environment friendly energy sources.

Through responsive and innovative venture capital systems and entrepreneurial training both in schools and colleges, we will have more enterprises leading to a large number of employment generators rather than employment seekers. A pro-active healthcare system delivered through innovative schemes will provide quality healthcare access at an affordable cost to all the people including those living in remote areas. Everyone will have an opportunity to take up and complete courses of choice in higher education. In addition to the above economic, social and human development, India will also have a visible global presence in strategic sectors and will contribute to world peace. All our technological and economic advances while enhancing our prosperity would embed our value system derived from our civilizational heritage. This unique combination will make our growth robust and sustainable and will lead to a peaceful, secure, happy and prosperous society. For achieving Vision 2020 from the present ambience, we need a measurement tool which can guide us in our growth path. Since we are looking for inclusive growth for our one billion people, we need a comprehensive measure of our growth in terms of the National Prosperity Index.

National Prosperity Index

While our economy is very much in the ascent phase and our GDP is growing at nearly 9% per annum, it is evident that economic growth is not fully reflected in the quality of life of a large number of people, particularly in rural areas and even in urban areas. Hence, we have evolved what is called a "National Prosperity Index (NPI)" which is a summation of (a) Annual growth rate of GDP; plus (b) improvement in quality of life of the people, particularly those living below the poverty line plus (c) the adoption of a value system derived from our civilizational heritage in every walk of life which is unique to India. That is $NPI = a + b + c$. Particularly, 'b' is a function of availability of housing, good water, nutrition, proper sanitation, quality education, quality healthcare and employment potential. 'c' is a function of promoting the joint

family system, creation of a spirit of working together, leading a righteous way of life, removing social inequities, and above all promoting a conflict free, harmonious society. This will be indicated by peace in families and communities, reduction in corruption index, reduction in court cases, elimination of violence against children and women and communal tensions. There should also be progressive reduction in the number of people living below the poverty line leading to its becoming near zero by 2020. All our efforts are directed towards improving the national economic performance guided by the measured National Prosperity Index of the nation at any point of time.

Conclusion

The foreign policy and defense are important components of any nation. I am glad that you all lead the country in these fronts. Mathematical models have advanced quite a bit today and are handy tools in understanding many of the aspects of defence and foreign policy. We can even model precisely the Transactional parts between citizens, between armed forces and between nations. However, including the aspects such as the unity of minds and other qualitative attributes would be a grand challenge for the policy makers. The coexistence of the quantitative and the qualitative issues in policy making are common to India and Greece. I am sure Greece and India in conjunction with the European Union could collaborate in giving a scientific outlook to policy making.

Prosperity of nations is important for the prosperity of the world and to avoid conflicts and war. The centuries of learning from different civilizations like Indian and Greek should enable us to formulate ideas and systems to bring prosperity and reduce disparities. One of the main drivers would be human values bridged by spirituality of religions. We also need to find ways and means of rooting out the fundamental causes of extremism. We have to find solutions for depleting sources for energy, continuously degrading environment and the scarcity of water threatening the humanity. I believe that humanity as a whole has to work with focused national, regional and international missions which itself will be a major unifying factor and pave the way for peace and prosperity to the whole mankind.

Now, may I request the participants of this meet to offer suggestions which will benefit Greece and India in working towards the mission of promoting peace and prosperity in the world.

May God bless you.



534. Speech by President Dr. APJ Abdul Kalam at the banquet hosted by the President of the Hellenic Republic Karolos Papoulias.

Athens, April 26, 2007.

Your Excellency Mr. Karolos Papoulias,

President of the Hellenic Republic,

Madam May Panou-Papoulia,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

I greatly appreciate your warm welcome and your kind words. I am happy to be in Greece, which has contributed so much to human civilisation. Greece is the crucible of democracy and India is the world's largest democracy. My visit has been a rewarding experience. The arrangements are excellent and the hospitality extended to me and my delegation most generous. The friendship and warm sentiments of the people of Greece have made our stay most memorable.

Our exchanges in ancient times began well before Alexander's invasion in 326 BCE. Pythagorus is reported to have travelled to India in the sixth century BC. Socrates (469-399 BCE) had occasion to meet an Indian philosopher in Athens and was greatly moved by the latter's Upanishadic observation that humans - the Relative, could be properly understood only in the light of an understanding of the Divine - the Absolute. In more recent times, in the 18th century, Demetrius Galanos of Athens embraced India as his second motherland and breathed his last in his beloved Varanasi, proving himself to be one of the earliest and ablest pioneers of Indology.

In modern times, both our countries have faced great challenges. We have secured freedom from colonial rule and fought against fascism in World War II. We share a deep commitment to democracy and have active civil societies. We both believe in the values of freedom, dignity and respect for the individual. We stand together to fight against terrorism for which we have zero tolerance. These shared values have helped us to understand each other's concerns and aspirations, paving the way for broad-based cooperation.

Greece is an important member of the European Union, with which our relationship has grown stronger over the years and with which we have a strategic partnership. This is another important element in our relations.

I realise, I am in the midst of historic Athens in the land of the "Iliad" and the "Odyssey" and that of Socrates, Homer and Plato. Greece is the country from where democracy radiated and dimensions of Republic were established. I have a message from my country of a billion democratic people, with multi religion, multi language and multi cultural. The message is: - Nations have to work together and graduate to bring peace and prosperity not only to their own country but also to nations around them. Then only peace will prevail in the world. The European Union is a great example. The dynamic performance of the European Union is indeed an important milestone in nations working together. For example, in our region, the South Asian Association for Regional Cooperation of eight countries is working very hard to bring economic prosperity and peace in the South Asian region.

Both India and Greece are committed to the UN Charter. We have worked together in UN forums on issues of common interest. We believe that there is a need to reform the UN structure to make it more democratic and transparent and more compatible with contemporary realities. We greatly appreciate Greece's principled and consistent support to India's candidature for a permanent seat on an expanded UN Security Council.

We appreciate Greece's efforts to bring about peace, stability and constructive cooperation in South Europe and the Balkan region, which has witnessed so much turbulence in recent years.

We are encouraged by the current momentum in our relations. Exchanges and cooperative ties are growing in a wide range of areas. We are working together to expand and deepen the political, economic and cultural content of our relationship. As a result of our joint efforts, our bilateral trade volume has grown to U.S. \$ 620 million. I would suggest that both our countries should work to increase bilateral trade to over U.S. \$1.25 billion by 2010.

We are strengthening the institutional framework for our cooperation through new agreements entered into or under negotiation on Science and Technology, double taxation avoidance, investment promotion and air transport. There exist concrete opportunities for cooperation in trade, investment, infrastructure development, shipping, tourism, S&T and Information Technology. The small but growing Indian community in Greece has been making

its contribution to the Greek economy. I am confident that our multi-dimensional relationship will continue to strengthen in the future.

Excellency, on behalf of my delegation and on my own personal behalf, I would like to take this opportunity to once again convey my sincerest gratitude for the warmth, friendship and hospitality extended to us.

Excellencies, Ladies and Gentlemen, may I request you to join me in a toast to: -

- U the personal good health and happiness of His Excellency, President Karolos Papoulias and Madam May Panou-Papoulia;
- U the well-being of our two friendly peoples; and
- U closer friendship and further strengthening of the multi-dimensional future-oriented and cooperative partnership between India and the Hellenic Republic.



ITALY

535. Joint Statement issued on the occasion of the Visit of the President of the Council of Ministers of Italy, Prof. Romano Prodi.

New Delhi, February 15, 2007.

Prime Minister of India, Dr. Manmohan Singh, and President of the Council of Ministers of Italy, Prof. Romano Prodi, today affirmed their commitment to work towards the establishment of a strategic partnership based on the close understanding and excellent political dialogue between the two countries, and enhanced cooperation on economy and trade, defense, culture, science & technology, higher education and research, space and the environment.

Both sides agreed to hold regular meetings between the respective Prime Ministers, to take place alternately, in India and Italy. They stressed the importance of the ongoing annual consultations at the level of Ministers of Foreign Affairs and regular consultations at the level of senior officials of the two Foreign Ministries.

Both sides emphasized the importance of increasing bilateral trade and investment flows in order to realize the significant potential that exists and reiterated their commitment to facilitate business exchanges so that bilateral trade could substantially increase in the next three years.

The economic events held in Delhi, Bangalore, Kolkata, Mumbai and Chennai during the visit have promoted interaction between business on both sides and opened up new opportunities for enhancing cooperation in the sectors of agri-business, textiles and clothing, leather, jewellery, wood-work and machine tools, automotive and auto-components, energy, fashion, design, cinema and infrastructure.

Both sides agreed on the need to enhance engagement between SMEs. Considering the success of the Italian industrial cluster model for growth of the manufacturing sector, they agreed to facilitate exchange of experiences and training on the Italian model.

The two sides noted that there were complementarities between the two countries to further develop cooperation in the area of design. Italian strengths in design and technology could be combined with India's manu-

facturing competencies and human resource skills for mutual benefit. A centre of Excellence in design education will be set up jointly by India and Italy at the National Institute of Design, Ahmedabad (India).

Recognising the benefits of closer cooperation in fostering the protection and promotion of intellectual property rights, the two leaders agreed that both sides would work together to cooperate in the areas of capacity building activities, human resource development and public awareness programme.

The services sector has the potential of further contributing to the strengthening of economic relations. They noted with satisfaction the positive developments in this regard and the setting up of innovative financial instruments by the Italian banking sector to facilitate direct investments and joint ventures.

The leaders were presented with the recommendations of the first meeting of the Indo-Italian CEOs Forum held in New Delhi on 15th February 2007. Both sides expressed the hope that the work of this Forum would help increase bilateral trade and investment linkages.

The two sides welcomed the establishment of the Joint Working Group on Infrastructure and looked forward to active cooperation in this sector. They also decided to strengthen cooperation in the field of Information Technology.

Food processing is another area of ongoing bilateral cooperation. The two sides are exploring the possibility of working together to establish a Joint Food Testing Laboratory at Kolkata; set up an Indo-Italian Joint Foundation for Food Processing and developing an Agro Food Park.

The two parties noted with appreciation the positive results of the bilateral executive programme on scientific and technological cooperation and the high level of cooperation attained by Universities, research centers and public and private institutions of the two countries and agreed to enhance it further. They noted with satisfaction the ongoing Indo-Italian cooperation at the Synchrotron in Trieste and the relevant results of the joint ITPAR (India-Trento Program for Advanced Research) Project in Microsystems, Material Science, Computer Science and Telecommunications. They further agreed to continue to support the activities of the ICGEB (International Centre for Genetic Engineering and Biotechnology).

Italy is an important partner for India in space research. The two sides agreed to further increase cooperation between ASI (Agenzia Spaziale

Italiana) and the ISRO (Indian Space Research Organisation) and welcomed the installation of the Thermo Vacuum Chamber at ISRO Satellite Centre in Bangalore and the forthcoming launch of the "Agile" Satellite by PSLV (Polar Satellite Launch Vehicle).

They agreed that the defense sector presents opportunities for increased cooperation.

Cultural cooperation has always been at the forefront of relations between the two countries. The two sides welcomed the signing of the Cultural Exchange Programme for 2007-2009, and agreed to enhance cooperation and exchanges, inter alia, in music, contemporary art, design, restoration and the preservation of historical heritage and cinema. They further agreed to strengthen their cooperation against illegal trafficking of cultural assets and to encourage academic exchanges between universities.

The two sides underlined the importance of fostering an increase of tourism to both countries, facilitating contacts and increasing direct air links. The two leaders reiterated their commitment to work jointly in addressing global challenges and noted the scope for increased bilateral cooperation in the field of environment and the protection of natural resources. They welcomed the bilateral MoU for cooperation in new and renewable energy technologies.

Both sides reiterated their commitment to a rules-based multi-lateral trading system and noted the importance of a positive and balanced outcome of the Doha Round of negotiations consistent with the mandate.

Both Heads of Government reaffirmed the vital importance of an effective multilateral system. They expressed their firm support for a reformed and more efficient United Nations and agreed to regular consultations on UN matters.

The two leaders re-affirmed their commitment to disarmament and non-proliferation objectives and supported renewed efforts of the international community to achieve them. Italy and India confirmed their willingness to work together in the relevant international fora to this end.

The two leaders stressed the importance of energy security. Italy recognized the rising demand for energy in India and the need for international cooperation in this domain. They agreed to continue to discuss the need to adopt forward-looking approaches to enhance international civil nuclear

cooperation under appropriate IAEA safeguards with India.

They welcomed the establishment of a bilateral Joint Working Group on combating international terrorism and transnational crime. Italy and India will continue to cooperate on the implementation of the UN Global Counter Terrorism Strategy, work towards an expeditious adoption of a comprehensive Convention on International Terrorism.

Both sides underlined the importance of cooperation on the United Nations activities for peace support and post conflict stabilization. In this context, they welcomed the establishment of the Peace-building Commission (PBC) at the UN and agreed to continue their cooperation in PBC's Organizational Committee of which both India and Italy are members.

Both sides welcomed the enhanced cooperation between India and Italy through the participation of Indian personnel in the training programmes of CoE SPU (the Carabinieri-run Centre of Excellence for Stability Police Units) in Vicenza, Italy, which has been mutually beneficial.

The two leaders agreed to work together in further strengthening the bilateral relationship, also in the context of the Strategic Partnership between India and the European Union. In this regard, they reaffirmed their strong commitment to the full implementation of the comprehensive and forward looking Joint Action Plan, aimed at creating further opportunities for closer political and economic cooperation. They looked forward to the early launch of negotiations for the broad based India-EU Trade and Investment Agreement.

The two leaders exchanged views on regional issues of mutual interest (including South Asia, Afghanistan, Iran, Middle East and Lebanon) and the forthcoming meeting of the G8 and partner countries.

Both sides expressed deep satisfaction with the outcome of the visit, which both sides agreed was successful and represented the beginning of a new phase in the growing partnership between India and Italy.

Invitations were extended to the Hon'ble President and Prime Minister of India to pay official visits to Italy. These were accepted with thanks. Dates will be settled through diplomatic channels.



536. Memorandum of Understanding between the Government of the Republic of India and the Government of Italy for setting up a Joint Working Group on Combating International Terrorism and Transnational Crime.

New Delhi, February 15, 2007.

The Government of India and the **Government of Italy** (hereinafter referred to as the "Parties");

Bearing in mind the close and friendly relations between the two countries;

Mindful of the dangers posed by the spread of terrorism and its harmful effects on peace, cooperation, and friendly relations between States which may also jeopardize the sovereignty and territorial integrity of States;

Recognizing the need to prevent, eliminate and unequivocally condemn all acts, methods and practices of terrorism and deplore the impact of terrorism on the life, property, socio-economic development and political stability of countries and on international peace and security;

Realizing that the goal of combating international terrorism, can be achieved by mutual cooperation in a spirit of reciprocity within the framework of their respective domestic laws and regulations;

Recognizing further the importance and the purpose of the UN Security Council Resolution 1373 (2001) on combating international terrorism;

Have agreed to establish a Joint Working Group on Combating International Terrorism and Trans-national Crime

COMPOSITION

- (i) The Ministry of External Affairs will be the nodal agency on the Indian side responsible for the implementation of this MoU
- (ii) The Ministry of Foreign Affairs will be the nodal agency on the Italian side responsible for the implementation of this MoU.
- (iii) The nodal agencies of the respective Parties will includes representatives from the Ministries and other relevant

agencies involved in counter terrorism activities as well as those dealing with prevention of drug trafficking and money laundering who will implement the purpose of the MoU.

MODALITIES

- (i) The Working Group shall meet at least once every year on mutually convenient dates. The Venue of the meetings shall alternately be in India and Italy; the first meeting will take place within 6 months from the day of the signature of the present MOU and define the objectives and scope of the Working Group.
- (ii) The Joint Working Group shall observe complete confidentiality in the conduct of its work.
- (iii) Any confidential information provided by one Party pursuant to this MoU shall not be passed on or disclosed to a third party without the express consent of the former Party.

This MoU shall come into force on the date of its signature and shall remain in force initially for a period of three years. Thereafter, the MoU shall be extended automatically for a similar period of three years at a time unless either Party gives to the other a written notice of its intention to terminate the MoU at least six months before the expiry of its duration.

Signed in New Delhi on 15th February 2007 in two originals in English language, both texts being equally authentic.

Shri Rajiv Dogra
Ambassador of India to Italy
Government of the Republic of India

H.E. Mr. Antonio Armellini
Ambassador of Italy to India
Government of the Republic of Italy



NETHERLANDS

537. Speech of President Shrimati Pratibha Devisingh Patil at a banquet in honour of the Queen of the Netherlands.

New Delhi, October 24, 2007.

Your Majesty Queen Beatrix,

Your Royal Highness Willem-Alexander, Crown Prince of Orange,

Princess Maxima,

Ladies and Gentleman,

On behalf of the Government and people of India, it gives me great pleasure to warmly welcome Your Majesty as well as the Crown Prince of Orange, Princess Maxima and your delegation to India.

We appreciate the special affinity and deep affection of the Dutch Royal Family for India. We recall Your Majesty's memorable visit to India twenty-one years ago in January 1986. That was an important milestone in our relations. We also remember the role played by His Royal Highness, Prince Claus in fostering greater engagement between our two countries.

Contacts between India and the Netherlands go back to several centuries and include the first voyage to the Indian Ocean by Cornelius Houtman in 1595 as well as by two Dutch ships reaching India in 1597. In the 17th century, Dutch scholars studied Sanskrit, Tamil and Telugu. There are still remnants of Dutch settlements in Gujarat, Tamil Nadu and West Bengal - where traces of Dutch influence in maps and manuscripts, ornaments and furniture and the famous Delft tiles have been found. Exchanges between historians, economists, sociologists, orientalists constitute a major element in cultural exchanges between our two countries. The Kern Institute in the prestigious University of Leiden and the world famous Tropical Institute are repositories of this interest. It is vital that such interest is nurtured as it fosters greater understanding and mutual goodwill. The cultural agreements concluded today will give impetus to cultural exchanges. I hope the planned Festival of India in the Netherlands in 2008 will give the Dutch people a glimpse of India's diverse cultural tradition.

I am happy that our bilateral relations have begun to recapture the vibrancy

of these historic contacts. Our bilateral trade has doubled in the past five years. The Netherlands is now among our top ten trading partners. There has been useful investment in India by Dutch companies spread across telecommunication, financial services, agro processing, chemicals and pharmaceutical sectors. The Netherlands, with its renowned expertise in water management, ports, agro-technologies and energy, has much to offer to India.

Recently, there has been a regular exchange of visits at the highest level. The visit of Prime Minister Jan Peter Balkenende to India in January 2006 and Prime Minister Dr. Manmohan Singh to your country in November 2004, during which the India-EU Strategic Partnership was launched, mark significant steps in further deepening and diversifying our relationship. Your visit represents a new high point in such contacts.

Your Majesty's visit to India comes at an interesting time. I do hope that what you see and experience this time will give you a glimpse of a new and dynamic India, the boundless energy and creativity of our people and their march towards prosperity. As one who has had a long-standing interest in the development of India and knowledge of our efforts, Your Majesty would be interested to see the advances in the knowledge economy and in the progressive development of our human resources.

India attaches importance to its relations with the Netherlands. We are also happy to note that in 2006, Prime Minister Balkenende's government declared India as a priority country in Dutch foreign policy. We have reason to be satisfied with the new momentum in our relations. We take particular note of the expansion in economic and commercial relations and the serious interest on both sides to forge cooperation in the fields of our respective expertise and competence.

India and the Netherlands share a common commitment to democratic governance, the rule of law, respect for human rights and religious freedom. Our two countries have enjoyed a tradition of tolerance and have fostered diversity in their social fabric. In India we have evolved a composite culture that celebrates the unity in our diversity. These shared values provide a strong foundation to our ties.

Your Majesty, we are confident that your visit will contribute to the further development of relations between our two countries and flourishing ties between our peoples.

Excellencies, Ladies and Gentlemen, may I request you to join me in a toast:

- U to the health of Her Majesty Queen of the Netherlands
- U to friendship and cooperation between India and the Netherlands.



PORTUGAL

538. Speech of President A. P. J. Abdul Kalam at a banquet in honour of the Portuguese President Prof. Anibal Cavaco Silva.

New Delhi, January 11, 2007.

Your Excellency, Prof. Anibal Cavaco Silva,

President of the Republic of Portugal,

Dr. Maria Cavaco Silva, Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to extend a very warm welcome to you, Mr. President and your delegation to India. It is fifteen years since we last welcomed a Portuguese President. During that period there has been a steady growth in our bilateral relations which are today characterised by cooperation and mutual understanding. We welcome you also as a committed democrat who has played an important role in the development and emergence of contemporary Portugal.

Portuguese sailors were among the pioneers of transoceanic navigation discovering sea routes previously unknown to Europeans. They laid the foundation of hitherto unexplored trade routes linking Europe with other continents; that development marked a significant milestone in European outreach to the rest of the world; a precursor of the trend towards globalization witnessed in later centuries.

Indo-Portuguese contact of over four centuries has enriched our mutual cultural heritage in many ways. The relationship has matured in the three decades following the developments in 1974. Your visit will help add substantive content to our partnership and in this context we are particularly pleased to see that you are accompanied by a high level delegation comprising of senior ministers, officials and business leaders. There are concrete opportunities for increasing and diversifying our bilateral trade and investment links and for further strengthening our cooperation in science & technology. There is great vibrancy in the Indian economy which is on a

fast growth trajectory. IT, biotechnology, agribusiness & food processing, tourism, textiles, chemicals and pharmaceuticals are among the sectors that offer vast opportunities for fruitful cooperation and partnership. We should set a target of one billion dollars for our bilateral trade by the year 2010. The areas of Nano-science and Nano-Technology offer great potential for joint collaboration. We can also intensify our joint efforts in the areas of ocean research and knowledge products and systems.

Portugal is an active member of the European Union which is a Strategic Partner for India. Excellency, your personal contribution to the progress of modern Portugal and its active participation in the European integration process through your astute leadership is well known.

Our shared values and common aspirations for the future form the basis of our strategic partnership with the EU. We recall with appreciation Portugal's invaluable support in 2000 for the holding of the first India-European Union Summit. We note with satisfaction that this mechanism, which today plays such a valuable role in our relations with the EU was first introduced in Lisbon in 2000. We look forward to working closely with Portugal during its Presidency of the EU in the second half of 2007 to further strengthen the India-EU Strategic partnership. We are particularly pleased that for the next India-EU Summit to be held in India later this year, the EU delegation would be led by Portugal. It is also our hope that by that time negotiations on a broad-based India-EU Trade & Investment Agreement will be well on their way. The Summit would allow us, inter-alia, to take stock of the state of play with a view to ensuring early conclusion of those negotiations.

Excellency, over the last three decades, India and Portugal have also worked closely in multilateral fora, especially in the United Nations. Our two countries share a similar view on many important issues, which confront the world today. Amongst them is terrorism which constitutes one of the gravest threats to global peace and security and violates the most basic human right - the right to life. The scourge of terrorism transcends international boundaries and needs to be countered by nations acting in close cooperation. We look forward to strengthening our cooperation with Portugal and the EU in preventing and combating terrorism.

Excellency, India attaches great importance to its relations with Portugal. Our countries have been in contact with each other for over five centuries and we look forward to strengthening our close and mutually beneficial partnership with Portugal bilaterally as well as in the framework of the EU.

Let me once again welcome Your Excellency and Dr. Maria Cavaco Silva to India.

Excellencies, Ladies and Gentlemen, may I request you to join me in a toast to :-

- U the good health of His Excellency President Cavaco Silva and Dr. Maria Cavaco Silva
- U the well-being of the Portuguese people, and;
- U the everlasting friendship between India and Portugal.



539. Agreement on Extradition between the Republic of India and the Portuguese Republic.

New Delhi, January 11, 2007.

The Republic of India and the Portuguese Republic hereinafter referred to as Contracting States;

Desiring to improve the co-operation of the two countries in the prevention and suppression of crime, by making provisions for the reciprocal extradition of offenders;

Have agreed as follows:

Article 1 Obligation to Extradite

The Contracting States agree to extradite to each other, subject to their laws and to the conditions specified in this Agreement, any accused person wanted for prosecution or any convicted person wanted for the imposition or enforcement of a sentence for an extraditable offence, found in the territory of the other State.

Article 2 Extraditable Offences

1. Extradition shall be granted in respect of offences that are punishable under the laws of both Contracting States by imprisonment or other measure of deprivation of liberty for a maximum period of at least

one year. Where the request for extradition relates to a person convicted of such an offence who is wanted for the enforcement of a sentence of imprisonment or other measure of deprivation of liberty, extradition shall be granted only if a period of at least six months imprisonment or other measure of deprivation of liberty remains to be served.

For the purposes of this Article, in determining whether an offence is an offence against the law of both Contracting States:

- a) It shall not matter whether the laws of the Contracting States place the acts or omissions constituting the offence within the same Category of offence or denominate the offence by the same terminology;
 - b) The totality of the acts or omissions alleged against the person whose extradition is requested shall be taken into account and it shall not matter whether, under the laws of the Contracting States, the constituent elements of the offence differ.
3. Where the offence for which extradition is requested has been committed outside the territory of the requesting State, extradition shall be granted subject to the provisions of this Agreement:
- a) If the person whose extradition is requested is a national of the requesting State; or
 - b) If the law of the requested State provides for the punishment of an offence committed outside its territory in similar circumstances.
4. Extradition shall be granted in accordance with the provisions of this Agreement for offences of a fiscal character including duties, taxation, customs and exchange.
5. If the request for extradition includes several separate offences, which are punishable under the laws of both Contracting States, but some of which do not fulfil the other conditions set out in paragraph 1 of this Article, the requested State may grant extradition for the latter offences provided that the person is to be extradited for at least one extraditable offence.

Article 3
Nationals

1. The requested State shall have the right to refuse to extradite its nationals.
2. Where the requested State refuses to extradite a person on the ground that the person is a national of the requested State, it shall, if the requesting State so requests and the laws of the requested State allow, submit the case to the competent authorities in order that proceedings for the prosecution of the person in respect of all or any of the offences for which extradition has been requested, may be taken.

Article 4
Grounds for Refusal to Extradite

1. Extradition shall not be granted if:
 - a) The requested State considers that the execution of the request is contrary to its Constitutional principles and domestic laws;
 - b) There are substantial grounds for believing that a request for extradition for an ordinary criminal offence has been made for the purposes of prosecuting or punishing a person on discriminatory grounds contrary to the international and internal laws in force in each Contracting State.
 - c) The offence for which extradition is requested is an offence of a political nature. For the purposes of this Agreement, the following offences shall not be considered as political offences:
 - (i) Genocide, crimes against humanity, war crimes and serious offences under the 1949 Geneva Conventions;
 - (ii) Offences that ought not to be regarded as political under the international treaties, conventions or Agreements to which each Contracting State is a party;
 - (iii) Murder, culpable homicide;
 - (iv) Voluntarily causing hurt or grievous hurt by a dangerous weapon or means;
 - (v) Possession of a fire-arm or ammunition with intention to endanger life;

- (vi) The use of a fire-arm with intention to resist or prevent the arrest or detention;
 - (vii) Causing of loss or damage to property used for public utilities or otherwise with intention to endanger life;
 - (viii) Wrongful restraint and wrongful confinement;
 - (ix) Kidnapping and abduction including taking of hostages;
 - (x) Offences related to terrorism and terrorist acts; and
 - (xi) Abetting, conspiring or attempting to commit, inciting, participating as an accomplice in the commission of any of the above offences.
- d) The offence for which extradition is requested is an offence under military law, which is not an offence under the ordinary criminal law of the Contracting States;
- e) Final judgement has been rendered in the requested State or in a third State in respect of the offence for which the extradition is requested; and
- i) The judgement resulted in the person's acquittal;
 - ii) The term of imprisonment to which the person was sentenced has been completely enforced, or is wholly or, with respect to the part not enforced, a pardon or an amnesty has been granted; or
 - iii) The court convicted the person without imposing a penalty;
- f) The person whose extradition is requested has been granted amnesty in respect of the offence for which extradition is requested, or has, according to the law of either Contracting State, become immune from prosecution or punishment by reason of lapse of time, or for any other reason;
- g) The extradition sought might lead to a trial by a court of exceptional jurisdiction or that has been specially established for the purpose of trying that person's case or where it concerns the enforcement of a sentence passed by such a court. For the purposes of this Agreement, the expression "court of exceptional jurisdiction" shall not be

interpreted as referring to a special court which is set up by the regular procedure established by the internal law of each Contracting State.

2. The requested State shall have the right to refuse extradition if:
 - a) The competent authorities of the requested State have decided to refrain from prosecuting the person whose extradition is requested for the offence in respect of which extradition is requested;
 - b) The offence for which extradition is requested is regarded under the law of the requested State as having been committed in whole or in part within that State. However, extradition may be granted in accordance with this treaty notwithstanding that the conduct of the person sought occurred wholly or partly in the requested State, if under the laws of that State, his conduct and its effects, or its intended effects, taken as a whole, would be regarded as constituting the commission of an extraditable offence in the territory of the requesting State;
 - c) A prosecution in respect of the offence for which extradition is requested is pending in the requested State against the person whose extradition is requested;
 - d) The person sought has been convicted in that person's absence of the offence for which extradition is requested, unless the requesting State provides an assurance, which is considered by the requested State to be sufficient, that the person sought shall, upon surrender, have a right to appeal against the conviction or to seek re-trial;
 - e) The requested State, while also taking into account the nature of the offence and the interests of the requesting State, considers that, in the circumstances of the case, the extradition of that person would be incompatible with humanitarian considerations in view of age, health or other reasons of a personal nature to be analysed by the requested State on a case to case basis. If, however the extradition is refused under this clause, the accused shall be prosecuted by the requested State in accordance with its domestic laws.

Article 5 Rule of Specialty

1. Subject to paragraph 3 of this Article, a person extradited under this

Agreement shall not be detained or tried, or be subjected to any other restriction of personal liberty, in the requesting State for any offence committed before the extradition other than:

- a) An offence for which extradition was granted; or
 - b) Any other extraditable offence in respect of which the requested State consents.
2. A request for the consent of the requested State under this Article shall be accompanied by the documents mentioned in paragraph 4 of Article 8.
 3. Paragraph 1 of this Article does not apply if the person has had an opportunity to leave the requesting State and has not done so within 45 days of final discharge in respect of the offence for which that person was extradited or if the person has returned to the requesting State after leaving it.
 4. If the description of the offence charged in the requesting State is altered in the course of proceedings, the person extradited shall be proceeded against or sentenced only in so far as the offence under its new description is an offence for which extradition could be granted pursuant to this Agreement.

Article 6 **Re-extradition to a Third State**

1. Where a person has been surrendered to the requesting State by the requested State, the requesting State shall not extradite that person to any third State for an offence committed before that person's surrender unless:
 - a) The requested State consents to that re-extradition; or
 - b) The person has had an opportunity to leave the requesting State and has not done so within 45 days of final discharge in respect of the offence for which that person was surrendered by the requested State or has returned to the requesting State after leaving it.
2. In relation to any consent pursuant to subparagraph 1(a), of this Article the requesting State may request the production of the documents mentioned in Article 8, as well as any declaration made by the extradited person in respect of the re-extradition.

Article 7
Concurrent Requests

If extradition is requested concurrently by a Contracting State and by one or more other States, whether for the same or for different acts or omissions, the requested State shall determine to which of those States the person is to be extradited having regard to the circumstances and, in particular, the existence of other treaties or Agreements binding on the requested State, the relative gravity of the offences and where they were committed, the respective dates of the requests, the nationality of the person and the possibility of subsequent re-extradition.

Article 8
Extradition Procedure

1. A request for extradition shall be made in writing and shall be communicated through the diplomatic channels.
2. All documents submitted in support of a request for extradition shall be authenticated.
3. A document is authenticated for the purposes of this Agreement if:
 - a) It purports to be signed or certified by a judge, magistrate or other competent officer in or of the requesting State; and
 - b) It purports to be sealed with an official or public seal of the concerned Ministry or the competent authority of the requesting State.
4. A request of extradition shall be accompanied by:
 - a) If the person is accused of an offence - the original and two certified copies of the warrant for the arrest of the person, a statement of each offence for which extradition is requested and a statement of the acts or omissions which are alleged against the person in respect of each offence, and such documents/information as, according to the law of the requested State, would justify his committal for trial if the offence had been committed in the territory of the requested State;
 - b) If a person has been convicted in that person's absence of an offence - a judicial or other document or a copy thereof, authorising the apprehension of the person, a statement of each

offence for which extradition is requested, a statement of the acts or omissions which are alleged against the person in respect of each offence and a statement of the relevant law that ensures the right to appeal against the decision or to seek retrial;

- c) If the person has been convicted of an offence otherwise than in that person's absence - documents evidencing the conviction and the sentence imposed, the fact that the sentence is immediately enforceable, and the extent to which the sentence has not been carried out;
- d) If the person has been convicted of an offence otherwise than in that person's absence but no sentence has been imposed - documents evidencing the conviction and a statement affirming that it is intended to impose a sentence;
- e) In all cases - a statement of the relevant law creating the offence, including any provision relating to the limitation of proceedings and a statement of the penalty that can be imposed for the offence;
- f) In all cases - a description which is as accurate as possible of the person sought together with any other information which may help to establish the person's identity and nationality; and
- g) If applicable - a statement indicating reasons, which have prevented the person from becoming immune from prosecution or sentence by reason of lapse of time in relation to the offence for which extradition is requested, according to the law of the requesting State;
- h) In the case of an offence committed in a third State, statement demonstrating that the third State does not claim the person sought for that offence;
- i) In cases of conviction *in absentia* information that the person sought may appeal against the conviction or seek re-trial;
- j) An assurance that the person sought will be afforded the protection provided for by articles 5 and 6 of this Agreement.

Article 9
Supplementary Information

1. If the requested State considers that the information furnished in support of the request for the extradition of a person is not sufficient, in accordance with this Agreement, that State may request that additional information be furnished within such time as it specifies.
2. If a person who is under arrest in relation to extradition is released from custody as a consequence of the failure of the requesting State to provide additional information requested pursuant to paragraph 1 of this article, the requested State shall notify the requesting State as soon as practicable.

Article 10
Provisional Arrest

1. In case of urgency a Contracting State may apply, by means of the facilities of the International Criminal Police Organisation (INTERPOL), or otherwise, for the provisional arrest of the person sought, pending the presentation of the request for extradition.
2. The application may be transmitted by post or telegraph, or by any other means affording a record in writing.
3. The requests for provisional arrest shall indicate the existence of either a detention order or a sentence against the person claimed, describe briefly the facts that amount to an offence, state when and where such offence was committed, the legal provisions that are applicable, as well as the available data concerning the identity, the nationality and the whereabouts of that person.
4. On receipt of an application for provisional arrest the requested State shall take the necessary steps to secure the arrest of the person sought and the requesting State shall be promptly notified of the result of its application,
5. Provisional arrest shall be terminated if the request for extradition is not received within 18 days of the arrest; it may however be prolonged for up to 40 days of the arrest if the reasons given by the requesting State.

6. The provisions of paragraph 5 above shall not prejudice re-arrest and extradition if a request is received subsequently.

Article 11 Surrender

1. The requested State shall, as soon as a decision on the request for extradition has been made, communicate that decision to the requesting State. Reasons shall be given for refusal, in whole or in part, of a request.
2. Where extradition is granted, the person shall be removed from the requested State from a point of departure in that State convenient to the Contracting States.
3. The requesting State shall remove the person from the requested State within such reasonable period as the requested State specifies and, if the person is not removed within that period, the person may be released and the requested State may refuse to extradite the person for the same offence.
4. If circumstances beyond its control prevent a Contracting State from surrendering or removing the person to be extradited it shall notify the other Contracting State. The two Contracting States shall mutually decide upon a new date of surrender, and the provisions of paragraph 3 of this article shall apply.

Article 12 Postponement and Temporary Surrender

1. The requested State may postpone the surrender of a person in order to proceed against the person, or so that the person may serve a sentence, for an offence other than an offence constituted by an act or omission for which extradition is requested. In such cases the requested State shall advise the requesting State accordingly.
2. To the extent permitted by its law, the requested State may temporarily surrender the person sought to the requesting State in accordance with conditions to be determined by mutual Agreement between the Contracting States.

Article 13 Surrender of Property

1. To the extent permitted under the law of the requested State and

subject to the rights of third parties, which shall be duly respected, all property found in the requested State that has been acquired as a result of the offence or that may be required as evidence shall, if the requesting State so requests, be surrendered if extradition is granted.

2. The said property may, if the requesting State so requests, be surrendered to the requesting State even if the extradition agreed to cannot be carried out.
3. When the said property is liable to seizure or confiscation in the requested State, the latter may, in connection with pending criminal proceedings, temporarily retain it or hand it over on condition that it is returned.
4. Where the law of the requested State or the protection of the rights of third parties so require, any property so surrendered shall be returned to the requested State free of charge after the completion of the proceedings, if that State so requests.

Article 14 Transit

1. Where a person is to be extradited to a Contracting State from a third State through the territory of the other Contracting State, the Contracting State to which the person is to be extradited shall request the other Contracting State to permit the transit of that person through its territory.
2. Upon receipt of such a request the requested Contracting State shall grant the request unless it is satisfied that there are reasonable grounds for refusing to do so, provided that in any case the transit of a person may be refused on any ground on which the extradition of that person might be refused under this Agreement.
3. Permission for the transit of a person shall, subject to the law of the requested Contracting State, include permission for the person to be held in custody during transit. ,
4. Where a person is being held in custody pursuant to paragraph 3 of this Article, the Contracting State in whose territory the person is being held may direct that the person be released if that person's transportation is not continued within a reasonable time.

5. The Contracting State to which the person is being extradited shall reimburse the other Contracting State for any expense incurred by that other Contracting State in connection with the transit.

Article 15 Expenses

1. The requested State shall make all necessary arrangements for and meet the cost of any proceedings arising out of a request for extradition.
2. The requested State shall bear the expenses incurred in its territory in the arrest and detention of the person whose extradition is requested until the person is surrendered to a person nominated by the requesting State.
3. The requesting State shall bear the expenses incurred in conveying the person from the territory of the requested State.

Article 16 Language

A Contracting State which sends to the other Contracting State a document, in accordance with this Agreement, that is not in the language of the other Contracting State shall provide a translation of the document into the language of the other Contracting State.

Article 17 International Obligations

The present Agreement shall not affect the rights and obligations of the Contracting States arising from international conventions to which they are parties.

Article 18 Entry into Force and Termination

1. This Agreement shall enter into force thirty days from the date of the last communication through diplomatic channels between the Contracting States indicating the fulfillment of the respective internal legal or constitutional requirements for its entry into force.
2. Either Contracting State may terminate this Agreement by giving notice in writing and at any time to the other through diplomatic channels, and if such notice is given the Agreement shall cease to have effect six months after the receipt of the notice.

3. The provisions of this Agreement shall be applicable to the extradition requests presented after its entry into force, irrespective of the date on which the facts occurred.

In witness where of the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done at New Delhi, on the Eleventh day of January of the year 2007 (two thousand and seven), in Hindi, Portuguese and English, all texts being equally authentic. However, in case of divergence, the English text shall prevail.

For the Republic of India

For the Portuguese Republic



**540. Press Release issued by the Ministry of External Affairs
on the visit of Minister of State Anand Sharma to Portugal.**

New Delhi, June 12, 2007.

Minister of State for External Affairs Shri Anand Sharma arrived in Lisbon on a 2-day official visit from 10-12th June, 2007. Minister Sharma called on the Portuguese President Prof. Anibal Cavaco Silva at Belem Palace. He thanked the President for Portuguese support for co-sponsoring the Resolution to declare 2nd October as the International Day of Non-Violence by the UN. Besides bilateral relations matters relating to economic cooperation in the energy sector with emphasis on renewable energy were also discussed. Portugal's role in reinforcing India-EU relations during the Portuguese Presidency of EU was also discussed. This visit assumes greater importance in view of the fact that Portugal will take over the Presidency of the EU on the 1st of July, 2007 and during their Presidency the 8th India-EU Summit will take place in India.

Minister Sharma also met with Portuguese Foreign Minister Dr. Luis Amado and Portuguese Secretary of State for Foreign Affairs and Cooperation Prof. Joao Cravinho and had wide ranging discussions on issues of mutual interest including the forthcoming India-EU Summit which is to be held in New Delhi on 30th November, 2007.

Minister Sharma also delivered a public lecture at the prestigious Orient Foundation in Lisbon on 'India in the 21st Century'.



541. Joint Press Interaction by the Prime Minister Dr. Manmohan Singh and Portuguese Prime Minister Mr. Jose Socrates.

New Delhi, December 1, 2007.

Prime Minister Dr. Manmohan Singh: Your Excellency Prime Minister Socrates; Members of the Portuguese and Indian Delegations; Ladies and Gentlemen of the Press:

Prime Minister Socrates and I have just concluded very fruitful talks today. Our bilateral Summit meeting carried forward the momentum generated by the successful visit of the President Portugal to India in January 2007.

It was during Portugal's Presidency of the European Union in the year 2000 that the Portuguese leadership proposed a summit-level meeting between India and the European Union. The Eighth India-EU Summit held yesterday under the Portuguese Presidency thus has an added significance for India-Portugal bilateral relations.

Prime Minister Socrates and I have agreed that we should rethink our historical links and build a strong and contemporary relationship that reflects the vast goodwill that our people have for each other and the immense potential that exists for promoting bilateral collaboration.

We shared the view that the present level of bilateral trade at US \$397 million is far below our potential. We agreed to make full use of the opportunities that are emerging from the rapid growth of India and the expansion of the European Union to actively enhance trade and investment including by encouraging greater business-to-business interaction.

Indian and Portuguese majors in the information technology and pharmaceuticals sectors have recently entered each other's markets. We agreed to encourage more such investments.

We also discussed avenues for trilateral cooperation especially with the Community of Portuguese speaking countries. We are already cooperating in the field of hydrocarbons in Angola. We also identified cooperation in renewable energy as a priority.

Science and technology is yet another promising area in which we can pool our resources. There has been exchange of scientists and we would like to

build upon this. We have identified high technology areas such as information technology, biotechnology, bio-informatics and nanotechnology as focus areas for joint collaboration. For this we shall re-energize the existing inter-governmental mechanisms.

Parliamentary exchanges between the two countries are an intrinsic element of our mutual desire to broad-base our relations. Our respective Parliaments have constituted Friendship Groups, and we both agreed that this initiative deserved our full support.

We have also agreed to promote greater bilateral exchanges in the fields of sports, culture and tourism. We welcomed the signing of the Memorandum of Understanding between the All India Football Federation and the Portuguese Professional Football League. I am sure all football lovers in India will welcome this. There is also immense scope for working together in the area of restoration and conservation of our cultural heritage.

Portugal has the third largest Indian origin community in Europe. I conveyed to Prime Minister Socrates our admiration for Portugal's tolerant and open society. The richness of Portuguese culture in Goa, Daman and Diu is well-known to every Indian, and we celebrate this legacy.

We also exchanged views on regional and international issues. We are grateful to Portugal for its most friendly understanding and support to India's candidature for permanent membership of an expanded UN Security Council. I also derive great satisfaction from what Prime Minister Socrates has told me of Portugal's support for India's civil nuclear cooperation in the Nuclear Suppliers Group.

Based on our talks today I can say that we have a warm, trusted and reliable friend in Portugal, and especially in Prime Minister Socrates. India looks forward to taking this important relationship forward in all areas.

Thank you.

Prime Minister of Portugal: Mr. Prime Minister, on behalf of my delegation and on my personal behalf I wish to thank you for your kind words and for the very warm welcome extended to us. I wish to add that it is an extreme honour to be here as Prime Minister of Portugal and at the same time as the President of the European Council. I will take from this moment one souvenir, a very good memory, a memory of the spirit of cooperation between Portugal and India that started seven years ago under the first Portuguese Presidency that gave rise to the first EU-India Summit in 2000.

This Summit between Portugal and India is a summit of mutual rediscovery with the awareness that we have to recover, we have to make up for lost time, and we have to live up to our duties as two people with a common history.

The visit of the Portuguese President to India in January, 2007 represents a real watershed, a real turning point. It had a very favourable impact on Portuguese people and business people. They became aware that they had a lot to do to strengthen our cultural, social and economic ties. It is, therefore, with great satisfaction that I emphasise that during these last months we have signed several memorandums of understanding and several protocols regarding different sectors. For instance, there are cooperation agreements between our respective Chambers of Commerce, between Indian Universities and the Institute of Camoes to foster the Portuguese language. There are several memorandums of understanding between other institutions such as the Institute for the Cultural Heritage. There are Protocols and all these Protocols and Memorandums of Understanding are a clear sign of a clear political will to strengthen our ties. Our ambition has to be commensurate with our responsibilities, people who share historical ties.

But the most ambitious goals are obviously set for the commercial relations. Globalisation offers us major opportunities. We already have very dynamic commercial relationships. But we should like to emphasise ties in the tapping of unexplored opportunities in the sectors of tourism, IT, oil and gas, renewable energy. Therefore, it is with great pleasure that I mentioned that these are fundamental sectors to strengthen our ties and the ties between our business communities. It is, therefore, with satisfaction that I see that business circles in both countries are very aware of the fact that Portugal may become a gateway for India, not only in Europe but also in South America and in Africa. The recent agreement between the Gulf and ONGC is an example of these fruitful and constructive relationships.

It is, therefore, with great pleasure that I see the attention given by Portuguese businesses to India, to the Indian market. They are very willing to invest in India as it was seen in the EU-India Business Summit held recently here. Conversely, I see that Indian businesses are also willing to invest in Portugal. They see many opportunities there. So, these are all expressions of the wish of our people to rediscover themselves to this mutual rediscovery and to the strengthening of our ties.

I have had the opportunity to tell the Prime Minister and to the Indian authorities that Portugal supports India in the Nuclear Suppliers Group. The

Portuguese' position is due to the fact that Portugal thinks it is high time the international community acknowledged that India has given enough guarantees of the prudent use of the nuclear energy for civil purposes.

We have also had the opportunity to tell the Prime Minister that Portugal supports India's membership to the UN Security Council. Portugal supports India, Brazil, Germany and Japan. We think that the world has changed greatly in the last fifty years and the Security Council should reflect those changes.

I also wish to thank the Prime Minister for his kind words about the Indian community residing in Portugal. But I also wish to tell them that it is a very well integrated community, hard workers, their children study, and, therefore, it is a community that contributes greatly to the development of our country.

Mr. Prime Minister, we are very proud of the presence of the Indian community in Portugal. But we are even prouder when we hear the Indian Prime Minister talk about the Portuguese presence in India because we take pride in our history and we wish to keep on honouring this history.

India is a country of outreach. All short sentences are bad. All short sentences, judgments about India are bad." I have just quoted the Indian Prime Minister. I wish to add that it is the firm wish of all Portuguese here to fully understand India. Of course, that requires much more time and much more effort. But we are firmly determined to better know India and to take the opportunities offered to us by this globalized world. We should always build on our historic ties. We always do that.

Question (IANS): This question is addressed to Portuguese President. Now that Portugal is absolutely convinced and they are supporting India in the Nuclear Suppliers Group, will you use your clout to convince other skeptical members of the European Union to support India? What you spoke about the process of mutual rediscovery between India and Portugal, what about encouraging more people-to-people contacts between the countries?

Portuguese Prime Minister: The short answer to your question is, yes. We will do our utmost to convince other countries of our position. We do it not simply to please India but because we are convinced that India has given enough evidence of a very prudent and wise use of nuclear energy according to international rules. As far as the second part of your question about Portuguese and Indian ties, well we would like to foster them at all levels not only at business level but also we would like to strengthen our

cultural ties. I would like to convince more Indians to come to Portugal. Portugal, of course, is a smaller country than India; is not so diverse but it has a long history that places it very well to become a global negotiator now because it has ties with Europe but it also has ties with Latin America, with Africa and with Asia.

Question (Portuguese media): I would like to know if you have any idea about the business volume that will be generated by the agreement between the Gulf and ONGC. Do you not find it somewhat ironical that Portugal now comes to India to look for investment in the energy sector in one of its former colonies?

Portuguese Prime Minister: Now, let us begin with your second question. I do not see anything ironic in that. On the contrary, I think that pays tribute to our common history. I think Portugal should privilege those peoples it has historical ties with. That is the way to pay tribute to our history, to live up to it. Our history has to do with the East and with Africa. They present new opportunities not only to Portugal but to Africa and to India. To draw them closer is paying a tribute to our common history. As far as business relations and business flows are concerned, the cooperation between the Gulf and ONGC is to develop research activities and other activities in Angola. For the time being it is a joint venture to explore, to carry out some activities in Angola. Once again that is living up to our common history.

Thank you.



RUSSIA

542. Joint Statement on the outcome of the official visit of Russian President Vladimir V. Putin.

New Delhi, January 25, 2007.

The President of the Russian Federation, H.E. Mr. Vladimir V. Putin, paid an official visit to the Republic of India on January 25-26, 2007 at the invitation of the Prime Minister of the Republic of India Dr. Manmohan Singh. President Vladimir Putin is the first Russian Head of State who is participating as the Chief Guest at the celebrations on the occasion of the Republic Day. Besides a high level official delegation, President Putin was accompanied by a group of top Russian businessmen and industrialists representing diverse areas.

2. During his stay in New Delhi, President Vladimir Putin met the President of India, Dr. A.P.J. Abdul Kalam and the Prime Minister of India, Dr. Manmohan Singh. The Chairperson of the United Progressive Alliance, Mrs. Sonia Gandhi called on President Vladimir Putin. President Vladimir Putin also participated in a business meeting attended by high level representatives from the trade and industrial circles of India and Russia.
3. The Prime Minister of India and the President of the Russian Federation recalled with satisfaction their meeting in July 2006 on the sidelines of the G-8 Summit in St. Petersburg where the Russian Presidency had invited India as an outreach country. The two leaders discussed a broad range of issues relating to bilateral cooperation and exchanged views on important regional and international issues of mutual interest and concern. The talks were held in the traditionally warm and cordial atmosphere that is characteristic of the longstanding India-Russia friendship. They noted with particular interest that this visit took place in the year when the two sides were actively preparing to jointly commemorate the 60th anniversary (on April 13, 2007) of the establishment of diplomatic relations between India and the Russian Federation. They expressed satisfaction that, despite many momentous developments affecting global geopolitical situation over the last several decades, India and Russia have consistently remained close and friendly partners, with a continued commitment at the highest political level to further consolidate their ties. The

following documents were signed at the conclusion of the talks between the Prime Minister of India and the President of the Russian Federation:

- U Programme of Cultural Exchanges between the Government of the Republic of India and the Government of the Russian Federation for the Years 2007-2009;
- U Protocol between the Government of the Republic of India and the Government of the Russian Federation on holding "Year of Russia in India" in the year 2008 and "Year of India in Russia" in the Year 2009;
- U Agreement between the Government of the Republic of India and the Government of the Russian Federation on the access of the Indian Party to navigation signals of the Russian Global Navigation Satellite System GLONASS for peaceful purposes;
- U Agreement between the Government of the Republic of India and the Government of the Russian Federation on access of the Indian Party to a part of the Russian Global Navigation Satellite System GLONASS radio frequency spectrum;
- U Agreement between the Indian Space Research Organization and the Federal Space Agency on cooperation in the joint satellite project 'YOUTHSAT';
- U Memorandum of Intent between the Department of Atomic Energy, the Government of the Republic of India and Federal Atomic Energy Agency, the Russian Federation on development of cooperation in the construction of additional nuclear power plant units at Kudankulam site as well as in the construction of Russian design nuclear power plants at new sites in the Republic of India;

Also the following were adopted:

- U Joint Statement by the Prime Minister of the Republic of India and the President of the Russian Federation on cooperation in the field of peaceful uses of atomic energy¹;

1. This signing of the MOU may be seen in the background of the statement of President Putin to the Press Trust of India in an interview held in Moscow before his departure for India. He said: "We stand ready to support our Indian friends. We intend to help India directly in the construction of atomic energy facilities for peaceful use. On top of that some of our companies are very much interested in acquiring large contracts for

- U Plan of major events to commemorate the 60th Anniversary of the establishment of diplomatic relations between the Republic of India and the Russian Federation (April 13, 2007).
4. The Sides stress that durable, friendly and mutually beneficial relations between the two countries are based on deep mutual confidence and understanding. The strategic partnership between India and Russia has served not only the long-term national interests of both countries but has also effectively contributed to stability and security in Asia and the world in general. The two countries hold identical or similar views on most international issues. The Prime Minister of India and the President of the Russian Federation highly value the successful practice of holding annual summits that have played a key role in consistently adding greater strategic content to the wide-ranging cooperation between the two countries. These Summits encourage intensive contacts between India and Russia at all levels with a view to further intensifying bilateral cooperation.
 5. During the talks, the two Sides reviewed the implementation of the decisions taken during the India-Russia Summit in December 2005. While expressing satisfaction at the ongoing multifaceted cooperation, the Sides support its further development, particularly in priority spheres such as high technologies, telecommunications, outer space, metallurgy, energy, nuclear power and military and technical cooperation.
 6. The Sides reaffirm their intention to intensify efforts to further develop and diversify their trade and economic cooperation. Noting that the Indian-Russian Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation provides an important mechanism for the development of trade and economic ties, the Sides stress the need to pay particular attention to the further promotion of bilateral trade and investment, including in energy, technology and knowledge-intensive economic sectors.
 7. The Sides express satisfaction over the signing in February 2006 of the India-Russia Protocol on completion of negotiations on Russia's accession to the WTO. Particular importance is attached to the setting

construction of new facilities." In a clear statement that Russia would pursue India's case with the Nuclear Suppliers Group for ensuring fuel supplies, he said: "On various occasions we provided India with nuclear fuel. And we will help India settle problems in international affairs with the proviso that Russia will abide by international obligations."

up of a Joint Study Group (JSG) in 2006 to work out practical recommendations aimed at effectively tapping the opportunities available in both countries to substantially raise their bilateral trade and economic cooperation. As an immediate step, the Sides support early finalization of a result-oriented programme of action by the JSG to increase their bilateral trade to US \$ 10 billion by 2010.

8. The Sides advocate every possible effort to expand mutually beneficial contacts between the business communities of the two countries. They welcome the initiatives taken in this direction by the industrial and business associations of India and Russia, aimed at strengthening the important role played by the Joint Business Council. The Sides also agree to take steps to remove the existing barriers impeding the promotion of bilateral trade.
9. The Sides appreciate the establishment of the Indo-Russian Forum for Trade and Investment, co-chaired by the Minister of Commerce and Industry of India and the Minister of Economic Development and Trade of the Russian Federation. They are optimistic that its first meeting in India in February 2007 at which a large number of top businessmen from both sides are preparing to participate will yield positive results.
10. Noting the vital role played by energy in economic growth, the Sides attach particular importance to energy security issues. They endorse the concept of 'energy security' envisaging an acceptable balance between security of demand and security of supply. In view of their corresponding resources, needs, capabilities and potential, the Sides agree to further enhance direct dialogue² between their oil and gas companies aimed at concluding concrete and mutually beneficial commercial agreements for joint work in all segments of oil and gas cooperation in India, Russia and third countries. The arrival of the

2 On the eve of the visit there was speculation that during the visit India would demand a stake in Sakhalin - III. The Minister for Oil and Natural Gas Murli Deora told journalists on January 25 that while he could "not spell out the percentage of the stake that would be demanded as the matter is still in the negotiating stage, but we want to extend our partnership in this venture further." (Indian Company ONGC Videsh has a 20 percent stake in the Sakhalin - I project that would give India 2.4 million tones of oil every year.) Since the joint statement was silent on the specific issue, the next day President Putin was asked by *the Hindu* on the omission. President Putin clarified that "With regard to Sakhalin III, you need to work directly with our companies...And the Indian partners know whom they need to deal with and in what manner. On behalf of the (Russian) Government we will provide all the necessary administrative support."

first shipment of oil to India from Sakhalin-I in early December 2006 as well as the signing on January 25, 2007 of an MoU between ONGC and Rosneft oil company setting up two joint Working Groups - one each for upstream and downstream activities - demonstrate the viability of future India-Russia cooperation in the entire hydrocarbon value chain. The Sides also expressed satisfaction at the progress in the ongoing construction of two nuclear power plants in Kudankulam (India) with Russian participation³.

11. The Sides note with satisfaction that the progressive expansion of their traditionally important cooperation in the field of peaceful uses of outer space is based on deep mutual trust and high capabilities of the two countries in this sphere. In this context, they particularly welcome the signing of additional bilateral agreements during the present visit to jointly implement wide-ranging cooperation in the Russian Global Navigation Satellite System GLONASS. They also express satisfaction at the signing of a bilateral document to jointly develop and launch a Youth Satellite for educational purposes.
12. Military-technical cooperation between India and Russia has traditionally remained a major pillar of the bilateral strategic partnership. The Sides note with satisfaction that mutually beneficial interaction in the field of defence has steadily progressed from a buyer-seller format to also include joint research and development, manufacturing and marketing, regular service to service interaction and joint exercises⁴. As a leading example of their shared potential in high technological

3 Russian Minister for Atomic Energy Sergey V. Kirienko on January 22 speaking at Tirunelveli in South India assured India that Moscow would supply fuel for the reactors being built at Kudankulam throughout their life. "Fuel for the first reactor would reach the site in the second quarter of this year. Without violating the Nuclear Proliferation Treaty, we will ensure fuel supply for the reactors," he told reporters after inspecting the Reactor Pressure Vessel installed in the first reactor. He expressed the hope that there would not be any pressure from the NSG against fuel supply for the Kudankulam Nuclear Power Project.

4 Meanwhile Russian Deputy Prime Minister and Defence Minister Sergei Borisovich Ivanov speaking in Bangalore said Russia was looking for cooperation with India in the fields of space, military, nuclear energy and information technology. He said both countries were discussing specific contracts to develop advanced fifth generation combat aircraft. They could also develop multi-role transport aircraft jointly. The advanced fighter is expected to replace the ageing fighter fleet. Mr. Ivanov said Russia was convinced that after 44 years of cooperation there were newer opportunities to strengthen the bonds between the two countries. Indian software products for armed forces and space programme, for example could fill the gap in the development of transport aircraft jointly. The Agreement for the fighter aircraft was signed in October during the Defence Minister's visit to Moscow and the Agreement for fighter aircraft in November during the Prime Minister's visit.

collaboration, the India-Russia joint venture to manufacture Brahmos missile, which is expanding in scope, has led the way to further such joint projects. The Sides note with satisfaction the in-principle decision to jointly develop a new Multi-Role Transport Aircraft.

13. India and Russia, while recognizing vast possibilities offered by rapid development and mass use of information and communication technologies, systems and utilities, including internet, express their concern that along with the gains, new threats of use of information technologies have emerged, which are incompatible with the goals of ensuring international stability and security both in civil and military spheres. The Sides express their readiness to continue bilateral India-Russia dialogue and intensify joint efforts directed at strengthening national and international information security, including combating criminal and terrorist activities.
14. The Sides recall with satisfaction their wide-ranging bilateral cooperation in the field of science and technology that has been successfully and jointly steered and conducted in the framework of the Integrated Long Term Programme (ILTP). They affirm to jointly commemorate the 20th anniversary (on July 3, 2007) of the establishment of the ILTP. As a major initiative, the Sides welcome the decision to set up an India-Russia Technology Centre in Moscow to facilitate and channelize commercial /industrial applications of new jointly developed technologies. The Sides recognize that this new facet to S&T cooperation would also provide a stimulant effect to the overall scope of joint work. The Signing of the relevant Joint Work Document would enable the Centre to begin concrete work.
15. The Sides have agreed to continue work on the North-South international transport corridor project, in the interests of further development of trade and economic cooperation between India and Russia.
16. Cultural cooperation and people to people contacts have traditionally played an important role in promoting greater understanding and closer friendship between India and Russia. In this context, the Sides welcome the signing of the bilateral Cultural Exchange Programme and the Protocol to celebrate 2008 as the "Year of Russia in India" and 2009 as the "Year of India in Russia". The Sides appreciate ongoing joint efforts aimed at development of partnership relations between institutions of the two countries in

the fields of culture, Indian and Russian studies and languages. They agree to consider new mechanisms, including financial, to accelerate this trend through greater interaction between Indian and Russian scholars.

17. The Sides will work towards the establishment of a multipolar world order based on the principles of the rule of law, sovereign equality, territorial integrity and non-interference in internal affairs of States. Activities aimed at strengthening a central coordinating role of the United Nations in maintaining peace and security, and at increasing the efficiency and authority of the UN, form important elements of India-Russia cooperation at the international level. India and Russia stress the need to implement the process of UN reform, so as to reflect contemporary realities. In this context, the Russian Federation reiterates once again that it regards India as an influential and major member of the international community. The Russian Federation reaffirms its support to India as a deserving and strong candidate for the permanent membership in an expanded UN Security Council.
18. India and Russia strongly condemn terrorism in all its forms and manifestations. Both Sides reaffirm that terrorism is one of the gravest threats to international peace and security, and that there can be no justification for any act of terrorism, irrespective of motivations, wherever and by whosoever committed. They are also convinced that terrorism cannot and should not be associated with any nationality, religious, cultural or ethnic group. The Sides affirm that bilateral cooperation in counter-terrorism is an important dimension of their strategic partnership. They agree to consolidate joint efforts in suppressing financing of international terrorism and fighting illicit drug trafficking.
19. The Sides reiterate their intention to continue comprehensive long-term international cooperation to combat terrorism and to address other new challenges and threats, acting on the basis of international law under the UN auspices as well as within other relevant international organizations of which India and Russia are members. They oppose double standards in combating this phenomenon. They will cooperate to implement the United Nations Global Counter-Terrorism Strategy and to ensure an early entry into force of the International Convention for the Suppression of Acts of Nuclear Terrorism. Both Sides affirm their strong interest in promptly reaching

an agreement on the draft Comprehensive Convention against International Terrorism submitted by India.

20. The Sides note with concern the risk posed by the spread of terrorist ideologies and express their determination to counter this threat basing these efforts on UN SC resolution 1624, including through enhancing, in every possible way, dialogue among civilizations and cultures.
21. The Sides are interested in strengthening bilateral and multilateral interaction in Central Asia, which would contribute to enhanced stability and security in the region, including through closer and mutually beneficial cooperation with individual countries in the region based on shared interests and mutual respect. India and Russia advocate the development of practical cooperation among all partner countries of the Shanghai Cooperation Organization.
22. The Sides are concerned about the continuing deterioration of the situation in Afghanistan and the growing terrorist threat posed by the Taliban and other extremist forces. India and Russia will continue to participate in the post-war recovery in Afghanistan and are interested in strengthening its statehood and in the reemergence of that country as a peaceful, democratic, independent and prosperous state.
23. The Sides are convinced that an effective solution to the Iranian nuclear issue is best found through political and diplomatic efforts. In this regard the unanimous adoption of the UN Security Council Resolution 1737 is significant. It underscores the need for more active and transparent cooperation of Iran with the IAEA in order to resolve outstanding verification issues. They agreed that implementation of the Resolution should facilitate resumption of negotiations for a long-term comprehensive agreement which would allow for the development of relations and cooperation with Iran based on mutual respect and the establishment of international confidence in the exclusively peaceful nature of Iran's nuclear programme.
24. The Sides call for ensuring peace and security on the Korean Peninsula, maintaining it free from nuclear weapons and addressing the nuclear problem through the six-party talks based on the Joint Statement of September 19, 2005.
25. The Sides reaffirm their commitment to securing a comprehensive, lasting and just settlement of the Arab-Israeli conflict on a firm

international legal basis, i.e. relevant UNSC resolutions, the Madrid Principles and the Road Map. They also support the Arab Peace Initiative, adopted in Beirut in 2002. They condemn violence by all sides and call for negotiated solutions. They advocate the active support of the international community, the Quartet and regional players for efforts aimed at normalizing the situation in West Asia and Middle East, and resuming dialogue on all tracks; the Palestinian, the Lebanese and the Syrian, for comprehensive and durable peace in the region.

26. The Sides express concern over the continuing deterioration of the situation in Iraq. They believe that a return to peace, stability and progress in Iraq can only be achieved through reconciliation and a broad internal dialogue between all ethnic and religious groups and political forces of the country. India and Russia believe that the developments in Iraq indicate the need for collective international efforts aimed towards an early normalization of the situation in the country.
27. The Sides call for expansion of cooperation within the China-Russia-India trilateral format. The first trilateral summit-level meeting, which took place in July 2006 in the outreach format of the G8 events in St. Petersburg, gave a fresh impetus to enhancing multifaceted interaction among the three states. The trilateral interaction promotes the development of mutually beneficial economic cooperation among India, Russia and China, enhances international accord in the field of countering new challenges and threats, especially in the fight against terrorism, and contributes to strengthening peace and stability in Asia and throughout the world.
28. The Sides reaffirm their strong commitment to strengthening their relations in every possible way, and express their conviction that the strategic partnership contributes to the development of mutually beneficial and comprehensive bilateral cooperation, and serves the cause of peace, security, stability and sustainable development at the regional and global levels.
29. The President of the Russian Federation invited the Prime Minister of the Republic of India to visit Russia at a mutually convenient time for the next annual Summit. The invitation was gladly accepted.



543. Joint Statement by the Prime Minister Dr. Manmohan Singh and the Russian President Vladimir Putin on cooperation in the field of peaceful uses of Atomic Energy.

New Delhi, January 25, 2007.

India and Russia, reaffirm the importance of their strategic partnership which serves their national interests, strengthens bilateral relations and contributes to international peace and security and highlight the importance of mutually beneficial cooperation and shared objectives in the field of nuclear energy.

India and Russia, as states possessing advanced nuclear technologies, recognize that nuclear energy provides a safe, environmental friendly and sustainable source of energy. They underline the need to further develop international cooperation in promoting the use of nuclear energy for peaceful purposes in accordance with their respective international commitments and national legislations. They believe that nuclear energy will provide an indispensable source of energy to future generations.

India and Russia as responsible states share an objective of ensuring non-proliferation of weapons of mass destruction and their means of delivery including possible linkages with terrorism.

India and Russia resolve to further emphasize their willingness to expand and strengthen their scientific and other exchanges and bilateral dialogue on peaceful uses of nuclear energy.

India and Russia note with satisfaction their ongoing cooperation in construction of nuclear power plants at Kudankulam. India and Russia reaffirm their commitment to work together to expand civil nuclear energy cooperation, with a special emphasis on nuclear power generation aimed at enabling India to realize its goals of promoting nuclear power and achieving energy security in a self sustaining manner.

With the objective to implement these intentions, an agreement between the Government of the Republic of India and the Government of the Russian Federation will be signed on cooperation in the construction of 4 additional power units at Kudankulam. (This understanding was reflected in the Memorandum of Intent dated 25.01.2007.)

India undertakes that the reactor facilities and nuclear fuel supplied by Russia shall remain under the IAEA safeguards during the entire period of their actual use in accordance with the agreement on safeguards, which shall be

concluded between the Republic of India and the IAEA. It will also inter alia take into account measures relating to physical protection and other issues as may be mutually agreed.

Russia will continue to work with the Participating Governments of NSG in order to create conditions through amendment to its guidelines to facilitate expansion of civilian nuclear energy cooperation with India.

India and Russia recognize the importance of R&D for development of innovative technologies which reduce the risk of nuclear proliferation to further facilitate the wide scale development of nuclear energy. International project for nuclear reactors and fuel cycles (INPRO) which is being implemented under the aegis of IAEA with the participation of India and Russia is an example of productive international cooperation.

India and Russia express their willingness to further expand and strengthen their bilateral civilian nuclear energy cooperation by broadbasing cooperation covering both power (fission and fusion energy) and non-power applications in areas of mutual interest to be identified by both sides.

The Department of Atomic Energy, India and the Federal Atomic Energy Agency, the Russian Federation will work out in 2007 a comprehensive programme of cooperation in the field of peaceful uses of atomic energy between India and Russia¹.



1. The Memorandum of Intent was signed by Anil Kakodkar, Chairman of the Atomic Energy Commission for India and Sergei Kiriyyenko, Chief of the Russian Atomic Energy Agency for the Russian Federation. This is to be followed by an inter-governmental agreement (IGA) between the two countries similar to the one that governs the supply and execution of units Koondankulam 1 and 2. The original IGA of 1988 and revised IGA of 1998 specify only two reactors at Koondankulam. "We hope that in the near future the inter-governmental agreement will be signed," said Sergey Shmatko, President of the AtomStroyExport (ASE) in an interview to the daily *the Hindu*. ASE is the nuclear plants and systems exporting arm of the Russian atomic energy agency. According to Mr. Shmatko this will pave the way for a general agreement as well as a special contract between ASE and Nuclear Power Corporation of India Ltd. (NPCIL) for the construction of the additional plants at Koondankulam. "Just after this we will start the preparatory work for building the next two units," Mr. Shmatko said. Asked whether such work can be started given the constraining guidelines of the NSG, Mr. Shmatko said that there was no embargo imposed by the guidelines on preparatory work. He however added that Russia would respect the NSG guidelines. "But we hope that the changes in the Indian status vis-à-vis the NSG will happen quickly. In any case preparatory work could start before that," he said. (The Signing of the Inter-Governmental Agreement which was expected to take place in November during the Prime Minister's visit to Moscow was postponed.)

544. Joint Press Conference of President of Russian Federation Vladimir Putin and Prime Minister Dr Manmohan Singh.

New Delhi, January 25, 2007.

Prime Minister Manmohan Singh:

Excellency, President Vladimir Putin, Distinguished Members of the Russian Delegation, Ladies and Gentlemen of the Press.

President Putin is visiting India as part of our well-established practice of Annual Summits between our two countries. His current visit is of special significance, as he is the Chief Guest at our Republic Day Celebrations. We hold President Putin in high esteem, as a world leader and as a special friend of India. It therefore gives me great pleasure in extending him a very warm welcome.

Our discussions today were extremely useful and productive, and confirmed, once again, that our strategic partnership is based on a deep convergence of our vital national interests.

Though there has been a sea-change in the international

situation during the last decade, Russia remains indispensable to the core of India's foreign policy interests. Building on the long tradition of warm and friendly relations with Russia, we seek a comprehensive re-engagement that would impart new momentum and carry our strategic partnership to new heights.

Energy security is the most important of the emerging dimensions of our strategic partnership. Russia's position as a global leader on energy issues is widely recognized. We look forward to long-term partnership with Russia in this vital field.

We appreciate Russia's support in lifting international restrictions on nuclear cooperation with India and in assisting us in the expansion of our nuclear energy sector. We have today signed a Joint Declaration on cooperation in the field of peaceful use of atomic energy. Our growing cooperation is manifest in the Protocol of Intent we have signed on construction of additional units at Kudankulam.

Both of us agreed that our economic relationship is far below what is con-

sistent with the demands of our strong strategic partnership and the growth profiles of both India and Russia. The Joint Study Group is exploring possibilities for charting out a path for comprehensive economic cooperation and we have agreed to expedite its work.

We have had comprehensive discussions on our expanding defence relationship. Our defence ties have steadily progressed to include new areas such as joint research and development, manufacturing and marketing, regular service to service interaction and joint exercises. Our cooperation in the joint development of the Multi-Role Transport Aircraft and our interest in such cooperation in the development of the Fifth Generation Fighter are significant developments.

We decided to give a boost to our cooperation in high technology sectors including space, science and technology and information and communication. This is manifest in the signing of additional bilateral agreements to jointly implement wide ranging cooperation in the Russian Global Navigation Satellite System (GLONASS)

Mr. President, we see your visit, as a landmark and as one laying the foundation for renewed engagement between our two countries and charting the course of our relations in the years to come. Let me extend to you, once again a very warm welcome.

Rajeev Sharma : Some years ago, Russia had taken a lead, in trying to form a trilateral axis with China and India. Now what is the status of this trilateral axis? And how do both of you react to January 11 test launch by the Chinese of anti satellite missiles?

President Vladimir Putin: *Today the PM and I discussed the cooperation in trilateral format. We did not go into great detail. We stated that this was a useful format. You have probably read reports by international study groups and international research centres that focus on investment issues. According to their estimates in the forthcoming decade, India, Russia, China and Brazil will account for quite a significant portion of the world's economic activity and they will attract quite a lot of international investment. Naturally cooperation with such countries as India, Russia and China should be harmonious and we should seek ways towards ensuring such cooperation. In addition, what brings us together is our desire to address regional issues in matters that would be acceptable to all the three sides. Therefore, we believe that the work in the trilateral format is promising. Now as far as the tests that have taken place in People's Republic of China the funda-*

mental position of the Russian Federation is that the outer space should be absolutely weapons free. However, I like to note that People's Republic of China is not the first country to conduct such tests. As far as I am concerned, the first such test was conducted in the late 1980s. In addition to that, we can hear from military circles in United States that their plans to try to weaponise outer space. We should not let the genie out of the bottle. And this is our position.

Prime Minister Dr Manmohan Singh: Well President Putin has already mentioned the working of the trilateral cooperation and when I was in St Petersburg a few months ago as guest of President Putin the President of China, President Putin and myself held a very useful discussion and next month the Foreign Ministers of Russia, China and India would be meeting to explore further avenues of working together to make success of this trilateral forum. As far as the weaponisation of outer space is concerned, our approach is also similar. That we are not in favour of weaponisation of outer space.

Russian journalist: Thank you very much. I have two questions. My first question is to the Russian president. What do you think will be the priority areas that we should focus in our cooperation in the forthcoming two years. Will those areas be dominated by politics or economics? And my question to the Prime Minister is the following: What do you think about the possibilities of investing India's debt to Russia in the Indian economy and which particular sector would benefit from such investment?

Prime Minister Dr Manmohan Singh: As far as investment of Rupees accumulating in the debt are concerned, we have agreed to use these for expanding areas of cooperation to launch joint ventures in Medium term transport aircraft is one such joint project, the Titanium di oxide manufacture is another project. In the same way we will and can identify new joint ventures for the utilization of this rupee accumulation.

President Vladimir Putin: *Will there be more politics or more economics? We are totally aware of the fact that without political support it is absolutely impossible to cooperate in the economic area. However, the high level of political trust between the two countries should be converted to great level of economic interaction. Therefore I believe that it is the common sense will dominate in the coming years. And on this basis of which we will seek to harmonise the political aspect of our cooperation as well as the economic content of our interaction. And we have outlined the business component of our cooperation. And here we should mention the following, energy, hydro*

carbons, their exploration, prospecting, production and transport; then nuclear energy; and the political component plays quite a role in this section. These include our joint efforts within the frame work of Nuclear Suppliers Group, the IAEA and other international frameworks. And also these include our direct and practical cooperation in Kudankulam and possibly on other sides as well. And transport and communication in the broadest sense of the words; And our traditional trade items, investment; of course, military technology cooperation and culture. This is good enough for the beginning. Thank you.

[Note: The text in italics is based on Russian interpreters translation]



545. Speech of President Dr. A. P. J. Abdul Kalam at the banquet in honour of the Russian President Vladimir V. Putin.

New Delhi, January 25, 2007.

Your Excellency, Mr. Vladimir V. Putin,

President of the Russian Federation,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

It is a matter of great pleasure and honour for me to warmly welcome you and your delegation to India on the eve of the Republic Day of India - a day that celebrates a glorious moment in India's history.

Excellency, you are regarded in India as a world leader and a special friend of India. We recall with happiness all your previous visits to India that have led to substantial enhancement of partnership relations between our two countries. Your current visit to India has a special significance. Mr. President, you are the first leader from our great friend Russia, to be the Chief Guest at our Republic Day celebrations. Your presence amidst us on this occasion would serve as yet another event to be seen by millions of people in India and abroad to demonstrate the importance that our two countries attach to our long-standing and unbroken friendship and cooperation.

It is with great pleasure that I recall my visit in May 2005 to your country when I had the opportunity to interact with you and several senior Russian dignitaries, eminent scientists and friends of India. I also had fruitful visits to a number of higher educational establishments and scientific institutions in Moscow and St. Petersburg. The visit also helped me to relive my happy experiences of working with various scientific institutions in Russia, including those dealing with defence research and development. My state visit to Russia indeed left me with lasting impressions, including scope for added cooperation in the fields of science and technology.

Mr. President, I understand that, earlier today, you had successful discussions with our Prime Minister covering an entire array of issues. Our ongoing interactions give us confidence that the strategic dimension of our relations would be consolidated even further in the years ahead. We sincerely acknowledge your commitment to relations with India. As our wide-ranging cooperation develops in the national interests of our two countries, it has increasingly also emerged as a factor of stability in the region and beyond.

We have watched with friendly interest that Russia today stands stronger, both politically and economically and is on its way to gaining still further stature and influence internationally. India too has made rapid and substantial progress, which is evident from our steadily rising GDP growth rates. These trends and the new economic and technological capabilities in India and Russia have expanded the spectrum of opportunities to enhance our economic ties to mutual benefit. This has also made our cooperation in the energy sector more relevant and promising. The arrival of the first shipment of oil to India from Sakhalin-I last month demonstrates the viability of our partnership in hydrocarbons. The Kudankulam nuclear power project signifies mutuality of interest in this field, which both sides seek to further expand. Recently, I was at Kudankulam and saw the progress made. Further expansion in nuclear power production is possible. It is essential that both the Russian and Indian teams strictly follow PERT. I am particularly glad to note that today we signed agreements aimed at practical implementation of our cooperation in the Russian global navigation system GLONASS. We also signed an agreement for joint development of a Youth Satellite for educational purposes - an idea that I had discussed when I last visited Russia.

Mr. President, from my personal experience I know that technological cooperation between our countries has a bright future. 'BrahMos' has deci-

sively proved this. Our two countries are now examining the feasibility of developing a Multipurpose Transport Aircraft. We will be celebrating the 20th anniversary of the Integrated Long-Term Programme (ILTP) later this year testifying to the extensive bilateral scientific and technological cooperation. As a new step forward, we are now seeking to set up an India-Russia Technology Centre in Russia to promote commercial and industrial applications of jointly developed technologies. I wish this project all success.

Mr. President, we need to be more imaginative in our efforts to boost our trade to meet the target of US \$ 10 billion trade by 2010, which would go a long way in raising our economic cooperation to its true potential.

India and Russia seek to build a multi-polar world, which is governed by the principles of sovereign equality, rule of law, territorial integrity and mutual respect among all countries. In this globalising world, we are also faced with new threats and challenges such as terrorism. As two large multi-ethnic, multi-linguistic and multi-religious democracies, India and Russia have to work further for world peace. Our two countries stand firmly together in condemning and fighting all threats and acts of terrorism.

Excellency, on April 13 this year, we commemorate the 60th anniversary of the establishment of diplomatic relations between India and Russia. We are proud that our unbroken friendship and problem-free partnership over decades has no parallel in recent history.

Excellencies, Ladies and Gentlemen, may I request you to join me in a toast to: -

- U the peace, prosperity and well being of the people of friendly Russia;
- U the good health and prosperity of His Excellency President Putin, and;
- U the enduring friendship between India and Russia.



546. Memorandum of Intent between the Department of Atomic Energy, the Government of the Republic of India and Federal Atomic Energy Agency, the Russian Federation on Development of Cooperation in the Construction of Additional Nuclear Power Plant Units at Kudankulam Site as well as in the Construction of Russian Design Nuclear Power Plants at new sites in the Republic of India.

New Delhi, January 25, 2007.

The Department of Atomic Energy, the Government of the Republic of India and Federal Atomic Energy Agency, the Russian Federation,

Reaffirming the importance of the strategic partnership and highlighting the importance of mutually beneficial cooperation in the field of civil nuclear energy including construction of additional units at Kudankulam site as well as in the construction of Russian design nuclear power plant units at new sites in the Republic of India taking into account common understanding evolved between the Parties,

Noting with satisfaction their ongoing cooperation in the construction of nuclear power plants at Kudankulam,

Reaffirming the objective of implementing future cooperation in the construction of four additional nuclear power plant units at Kudankulam through an agreement between the Government of the Republic of India and the Government of the Russian Federation which, inter alia, shall include provisions determining scope and content of cooperation, obligations of both sides and their respective authorized organizations, provision of fabrication and supply of nuclear fuel throughout the operational period of NPP units, storing and reprocessing of spent fuel on territory of India, progressive localization of all relevant activities mentioned above, provision for State credit to the Indian side and / or grant of a State Guarantee by the Russian side, modalities of payments, conclusion of separate contracts, conditions governing implementation of agreement through periods of suspension, protection of confidential information, provision regarding intellectual property rights, application of appropriate IAEA safeguards, physical protection, provisions relating to nuclear liability, procedures for amendments, settlement of disputes and, entry into force, State their intent for the following:

Both Parties shall take all appropriate measures for prompt finalization, signing and entry into force of the Inter-Governmental Agreement mentioned above.

Done at New Delhi on January 25, 2007.

For Department of Atomic Energy For the Federal Atomic Energy Agency
The Government of India Russian Federation



547. Protocol between the Government of the Republic of India and the Government of the Russian Federation on holding “Year of Russia in India” in the year 2008 and “Year of India in Russia” in the year 2009.

New Delhi, January 25, 2007.

The Government of the Republic of India and the Government of the Russian Federation, proceeding from the earlier agreement reached between the leadership of the two countries at the Moscow Summit in December 2005, have decided:

Article 1

To hold a “Year of Russia in India” in the year 2008 and a “Year of India in Russia” in the year 2009, within the framework of which the Indian and Russian Parties will hold mutual events in the Republic of India and in the Russian Federation.

Article 2

For preparing and conducting the above events, Indian and Russian National Organising Committees will be established in 2007, headed by the President of the Indian Council for Cultural Relations of the Republic of India and the Deputy Chairman of the Government of the Russian Federation, respectively, under which Working Groups will be set up for drawing up a plan of events for holding the “Year of India in Russia” and the “Year of Russia in India”.

Article 3

The plan of events, based on reciprocity, will be approved by a decision of the Chairmen of the National Organising Committees.

Article 4

The Working Groups formed will comprise representatives of corresponding state executive bodies of the two countries, including states of the Republic of India and subjects of the Russian Federation.

Article 5

Coordination of the drawing up and implementation of the Plan of Events and the activities of the Working Groups would be under the charge of the National Organising Committees of the Republic of India and the Russian Federation.

Article 6

The main places for conducting the events during the "Year of India in Russia" will be Moscow, St. Petersburg, Nizhny Novgorod, Yekaterinburg, Kazan, sister cities, Astrakhan region, Republic of Tatarstan, Samara region and other subjects of the Russian Federation and their administrative centres, which have partner relations with the Republic of India as well as any other state(s) of the Republic of India, which the National Organising Committee may choose.

Article 7

The main places for holding the events during the "Year of Russia in India" will be Delhi, Mumbai, Kolkata, Hyderabad, sister cities, State of Gujarat, State of Andhra Pradesh, State of Karnataka and other cities and states of the Republic of India, which have partner relations with the Russian Federation as well as any other state(s) of the Republic of India, which the National Organising Committee may choose.

Article 8

The Plan of Events for holding the "Year of India in Russia" and the "Year of Russia in India" will include exhibitions, fairs, symposiums, conferences, video-conferences, presentations, exchange of delegations and other events in the fields of trade and economy, science and technology, humanities and other areas. A programme of specific events will be agreed upon at a working level between the Working Groups of the National Organising Committees of the Republic of India and the Russian Federation.

Article 9

The proposal for the official emblem of the "Year of India in Russia" and the "Year of Russia in India", as well as memorial coins and stamps, will be

worked out by the concerned departments and approved by a joint decision of the Chairmen of the National Organising Committees.

Article 10

This protocol comes into force from the date of its signature.

Done in New Delhi on the twenty-fifth day of January, 2007 in two originals, each in the Hindi, Russian and English languages. In case of any divergence in interpretation the English text will be used.

**On behalf of the Government
Of the Republic of India**

**On behalf of the Government of the
Russian Federation**



548. Plan of major events to commemorate the 60th Anniversary of the establishment of diplomatic relations between the Russian Federation and the Republic of India.

January 30, 2007.

The Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Russian Federation to commemorate the 60th anniversary of the establishment of diplomatic relations between the two countries,

Guided by their mutual interest to strengthen friendly relations and deepen their strategic partnership,

Have agreed to make arrangements for the jubilee events as follows:

1. Exchange of messages of congratulations at the summit level.
2. Exchange of messages of congratulations between the co-chairmen of the Intergovernmental Russian-Indian Commission on trade and economic, scientific and technical and cultural cooperation.
3. Exchange of messages of congratulations between the Foreign Ministers of the two countries.
4. Official receptions in the Embassies on the occasion of the 60th anniversary of the establishment of diplomatic relations.

5. Publication of articles of the Foreign Ministers on the occasion of the 60th anniversary of the establishment of diplomatic relations.
6. Round tables to be convened by the Diplomatic Academy of the Ministry of Foreign Affairs of the Russian Federation and the Foreign Service Institute of the Ministry of External Affairs, with participation of academicians and scholars from both countries
7. Events to be organized by Embassy's cultural departments in each country devoted to different periods and directions of cooperation between the two countries
8. A special exhibition and official reception on the venue of the Center of History of the Russian Foreign Service to mark the 60th anniversary of the establishment of diplomatic relations.



549. Question in the Lok Sabha: "Visit of Russian President".

New Delhi, March 7, 2007.

Will the Minister of External Affairs be pleased to state:

- (a) whether the Russian President recently visited India;
- (b) if so, the details of the issues discussed and the outcome thereof;
- (c) whether any bilateral agreements including the setting up of nuclear plants in the country were signed during his visit;
- (d) if so, the details thereof;
- (e) the total number of nuclear plants proposed to be set up in the country under the said agreement, State-wise;
- (f) the time by which these plants are likely to be set up;
- (g) whether Russia has also agreed to help India in getting an exemption in the Nuclear Suppliers Group;
- (h) if so, the details thereof; and
- (i) the extent to which Russian help will enable India to expand its nuclear energy programme and sustain energy security?

The Minister of External Affairs (Shri Pranab Mukherjee):

(a) to (i) A statement is placed on the Table of the House.

STATEMENT

- (a) Yes. The Russian President visited India from 25-26 January 2007.
- (b) The two Sides discussed a wide range of issues relating to regional and international matters of mutual interest and concern. The key issues of cooperation in the fields of defence, space, energy, science and technology, trade and investment were deliberated upon. The results of the discussions have been outlined in the "Joint Statement on the outcome of the Official Visit of H.E. Mr. Vladimir V. Putin, President of the Russian Federation to the Republic of India" issued on 25th January 2007, which is available in the public domain.
- (c)&(d) A number of bilateral documents were concluded during the visit but no agreement was signed on the setting up of nuclear power plants. Discussions were held on the construction of additional nuclear power plants at the Kudankulam site as well as at new sites and a Memorandum of Intent to this effect was signed. "Joint Statement by the Prime Minister of the Republic of India and the President of the Russian Federation on Cooperation in the field of Peaceful Uses of Atomic Energy" was issued on 25th January 2007. This joint statement outlines plans for cooperation with the Russian Federation in the area of peaceful uses of nuclear energy.

The other documents signed were as follows:

- (1) Joint Statement on the outcome of the official visit of the President of the Russian Federation to India;
- (2) Programme of Cultural Exchanges for the years 2007-09;
- (3) Protocol on holding "Year of Russia in India" in the year 2008 and "Year of India in Russia" in the Year 2009;
- (4) Agreement on access of the Indian Party to navigation signals of the Russian Global Navigation Satellite System GLONASS for peaceful purposes;
- (5) Agreement on access of the Indian Party to a part of the Russian Global Navigation Satellite System GLONASS Radio Frequency Spectrum;

- (6) Agreement on cooperation in the joint satellite project 'YOUTHSAT'; and
 - (7) Protocol on exchange of information on the movement of goods and conveyances between the Republic of India and the Russian Federation.
- (e)&(f) The Memorandum of Intent referred to in the previous paragraph envisages construction of four additional nuclear power plant units at the Kudankulam site as well as construction of Russian design nuclear power plants at new sites in India. No other details regarding the number or sites for new nuclear power plants and possible time frame have emerged so far.
- (g),(h)&(i) Russia is collaborating with India in the construction of 2 units of 1000 MW capacity nuclear reactors in Kudankulam, Tamil Nadu. Russia is supportive of wider cooperation with India in the area of peaceful uses of nuclear energy and recognizes that nuclear energy provides a safe, environmental friendly and sustainable source of energy. Russia and India have jointly underlined the need to further develop international cooperation in promoting the use of nuclear energy for peaceful purposes in accordance with their respective international commitments and national legislations. Specifically, Russia expects to continue to work with the participating Governments of Nuclear Suppliers' Group [NSG] to make an exception in its guidelines to facilitate full civilian nuclear energy cooperation with India.

Shri Asaduddin Owaisi: Sir, though we have signed the Memorandum of Intent, I would like to know from the hon. Minister, since the trade deficit between India and Russia is huge, what steps are being taken to bridge the trade deficit or gap and whether India is going to invest in Sakhaline III project.

Shri Pranab Mukherjee: So far as the trade is concerned, it is true that the current level of trade between India and Russia is just about US \$ 3 billion; it has been decided to make it US \$ 10 billion by 2010. In respect of the investments in new oil fields, like Sakhalin III, the hon. Member may be aware perhaps of the facts. We have already made an investment in Sakhalin I. We are interested in two other sectors also. Talks are going on but nothing has been finalized.

Shri Asaduddin Owaisi: The other issue is about the visa agreement.

Our Indian businessmen are facing a huge problem, especially when they go to Russia. What is it that the Government is doing in ensuring that India is going to sign the Re-admission Treaty with Russia since Russia is insisting upon signing the Treaty? This is a very important issue.

The other important question is, do we have to wait for 1, 2 and 3 agreements with US because as it is we have a Nuclear Agreement with Russia.

Shri Pranab Mukherjee: Sir, so far as the last question is concerned, there is no co-relation between signing of 123 agreement with the US and our programme with Russia in respect of civilian nuclear programmes for peaceful uses of nuclear energy. As the hon. Member and the whole country is aware, already we are having two nuclear power plants with the support of Russia at Kudankulam and there is a proposal of having more nuclear power plants in Kudankulam and certain other areas also, though the areas have not yet been finalized. So, our nuclear cooperation programme for civilian uses with Russia is a continuing one and a long-term programme.

In respect of the visa agreement, the problem of the Russian insistence on the Re-admission Agreement along with a Visa Facilitation Agreement, the two sides are continuing discussions to resolve this issue. I am aware of the problem that our businessmen and professionals are some time facing due to the restrictive visa policies pursued by some countries including Russia.

Shri Kharabela Swain: Can Russia set up additional nuclear power plants in Kudankulam without the approval of IAEA or the Nuclear Supplier Group? Has Russia got an approval from such agencies or setting up of such plants will require future approval from such agencies?

Shri Pranab Mukherjee: There are a number of issues connected with the setting up of a nuclear power plant. Merely setting up of the power plant or buying reactor is not an end in itself. We require the continuing supply of fuel and supply of fuel depends on the NSG guidelines. Russia is also a signatory or a part of it. The hon. Member is aware that efforts are made to amend the NSG guidelines to ensure that we can have the supply of nuclear fuel for the generation of power. All these things are co-related and unless we have the assurance of the fuel supply we cannot have an agreement for the establishment of nuclear power plant.

Shri C.K. Chandrappan: Sir, in reply to 'b', 'c' and 'd', statements 3, 4, 5 and 6 are related to India's access to Russian satellite for peaceful pur-

poses. Will the hon. Minister kindly explain the areas where we will have the benefit by getting this access? Do we have the benefit in communications or in doing satellite survey and all that?

Shri Pranab Mukherjee: Sir, the Agreement will help us to have access to navigation signals of the Russian Global Navigation Satellite System GLONASS radio frequency spectrum for peaceful purposes. These are the facilities we are going to have. In addition, talks are going on for the agreement on cooperation in the joint satellite project for the youth set.

Shri Vijayendra Pal Singh: Sir, the arrangement and collaboration with Russia on the nuclear plants in Kudakulam was before the Indo-US Agreement signed. I would like to know how it was signed and what was the reaction of the US on this. In this process, the local and the domestic thorium will also be infused in it in the third stage. If that is so, why did we not really take this on a little further? What is the real advantage of the nuclear deal with the US when this could be signed with Russia much before that?

Mr. Speaker: Today, we are having the first Question Hour of this Session. That is why, I have allowed your two supplementaries but you are entitled to ask only one.

Shri Pranab Mukherjee: Sir, so far as the first part of the question is concerned, it is true that we were having these two programmes before the Indo-US nuclear arrangement. Now there is a proposal for having four power plants. So far as thorium is concerned, it is a part of our three-pronged nuclear power programme but as the hon. Member is aware, the technology to have its full commercial use is yet to be developed and it will take some time. Keeping that in view, we would like to have it.

As far as the Indo-US nuclear deal is concerned, that is completely a different question altogether. If the hon. Member is interested, I could respond to it and I am ready for a full-fledged discussion on it.



550. Press Release issued by the Ministry of External Affairs on consultations between Foreign Secretary Shivshankar Menon and the Russian First Deputy Foreign Minister Andrei Denisov as part of the Foreign Office Consultation Programme.

New Delhi, April 10, 2007.

Shri Shivshankar Menon, Foreign Secretary met Mr. Andrei Denisov, First Deputy Foreign Minister of the Russian Federation for consultations on April 9, 2007 in New Delhi. They were assisted by high level official delegations from the two sides. The meeting took place in the framework of regular consultations between the two Foreign Offices.

During the meeting, which lasted for about three hours, the two sides reviewed the entire range of bilateral cooperation programmes, regional issues and other international and multi-lateral issues of strategic concern to India and Russia.

The two sides reviewed the progress of implementation of decisions arrived at during the Summit visit of H.E. Mr. Vladimir Putin, President of the Russian Federation to India on January 25-26, 2007. Particular attention was paid to cooperation in areas of trade and economy, defence, energy, space and science and technology. Both sides expressed their appreciation of the strengthening of the bilateral consultation process on various topical and regional issues. Foreign Secretary and the First Deputy Foreign Minister decided to intensify the consultations process in a subject-specific manner.

Among regional and multilateral issues, Afghanistan, Iran's nuclear programme, Iraq and Middle East, Central Asia, India-Russia-China trilateral cooperation, cooperation with EU and NATO, UN reforms, countering of terrorism and narco-trafficking came up for discussions.

Foreign Secretary extended the Indian side's warm best wishes to the First Deputy Foreign Minister and his team in the context of the forthcoming 60th anniversary of the establishment of the diplomatic relations between India and the Russian Federation, which will take place on April 13, 2007. Foreign Secretary and the First Deputy Foreign Minister agreed to meet next in Moscow on mutually convenient dates.



551. Message of External Affairs Minister Pranab Mukherjee on the occasion of the release of the photo album published by the Russian Embassy and RIA Novosti on the occasion of 60th anniversary of the establishment of diplomatic relations between India and the Russian Federation.

New Delhi, April 13, 2007.

Scholars and historians have often identified the summit exchanges in 1955 as the first milestone of Indo-Soviet relations. It is often overlooked that the ground work was laid earlier with the visits to the then USSR by Gurudev Rabindranath Tagore in 1930 and India's first Prime Minister Jawaharlal Nehru as a young Congress leader in 1927. Tagore's "Letters from Russia" generated considerable awareness and critical understanding within the Indian intelligentsia about the Soviet system. Young Nehru was deeply impressed by the rapid progress in agriculture, industrialization and fast spread of education in the USSR. The thinking behind India's five year plans may well have arisen in the mind of the future Prime Minister well before India attained independence.

There are few international parallels with the relations between India and the Russian Federation in post- Second World War diplomatic history. Indo-Russian relations are a natural continuation of Indo-Soviet friendship, which have had significant strategic content for nearly half a century. Stability and continuity of cooperation and emerging political and economic realities led the two countries to classify the partnership as strategic in 2000.

The international community has undergone a period of profound transformation in the political, economic, security and other areas, particularly after the dissolution of the Soviet Union and the end of the Cold War. Every country has had to readjust its foreign policy priorities in the face of far reaching economic and political changes and the steadfast friendship with Russia has remained one of the constants in India's foreign policy framework. Within the Indian political establishment, there has been remarkable unanimity on nurturing this friendship and this sentiment has been fully reciprocated by Moscow. Even at a time when Russia was coming to terms with its new political and economic identity and when the Indian establishment was preoccupied with large scale economic reforms, focused attention was paid to this very special and close bilateral relationship. Our vibrant bilateral activities which form the basis of our cooperation are the result of the policy priority both countries accord to one another.

There are serious dangers today - armed conflicts, underdevelopment among large populations, terrorism and violation of human rights, to name a few. We

trust that in an increasingly interdependent world, Indo-Russian friendship can help address these challenges and promote global peace and prosperity. Both countries believe that strengthening of multilateralism is essential for a just and equitable order. This could certainly be facilitated by a readjustment of international political and economic structures to reflect the realities of today's world as compared to the past.

An important factor that unites India and Russia is that both are diverse countries. Multi-ethnic and multi-religious societies need strong traditions of secularism and tolerance. Managing diversity in a democratic and federal political framework is a challenge that both countries face constantly. Our societies are conducting a day-to-day dialogue of civilizations internally and the model they represent is of importance to us and for the international community.

I am optimistic that we can potentially transform and strengthen trade and economic cooperation making full use of emerging opportunities in our two fast growing economies and the initiatives from private and public sector companies will surely play a larger role in the coming years. In this context, I view the February 2007 meeting of the Indo-Russian Trade and Investment Forum, with participation of businessmen from our two countries, as a significant development. It is time for us to work in unison on global trade and financial issues that concern our vital interests. I would welcome creative ideas and solutions to break free of the present level of bilateral trade of about US \$ 3 billion. We are cooperating fruitfully in the areas of defence, energy including nuclear energy, space, high-technology sectors such as information technology, bio-technology and nano-technology, aviation and metallurgy. I feel that economic progress in both countries will open up yet more opportunities for valuable bilateral cooperation.

Importantly, the civilizational and cultural affinity between our two peoples will be enhanced when the 'Year of Russia' is celebrated in India in 2008 and the 'Year of India' in Russia in 2009. There is great warmth and affection at the people-to-people level, and this should be strengthened particularly among the younger generation, who are growing up in a globalised world. With decades of friendship behind us, we can look forward to continued close relations ahead.

I congratulate Embassy of the Russian Federation in New Delhi and News Agency Ria Novosti for bringing out this special album to mark the sixtieth anniversary of the establishment of diplomatic relations between India and Russia.

Sd/-

[Pranab Mukherjee]



552. Briefing by Official Spokesperson on External Affairs Minister Pranab Mukherjee's visit to Russia.

New Delhi, October 10, 2007.

Official Spokesperson (Shri Navtej Sarna): External Affairs Minister Shri Pranab Mukherjee leaves tomorrow for Russia for the 13th Session of the India-Russia Inter-Governmental Commission (IRIGC) meeting. He will be holding discussions on 12th October with his counterpart for this purpose, which is the co-Chairman from the Russian side, Deputy Prime Minister Alexander Zhukov. Last session of the forum the IRIGC was held in December 2006 in Delhi. Just to give you some of idea of the IRIGC, it has five working Groups and four of them have already met in the last three months. These are the groups on trade and economy, metallurgy and mines, technology, tourism and culture. The one that remains, Working Group on Energy, will meet on 11th October just before the session of the IRIGC. There is, of course, possibility of a Protocol, which is the normal practice, coming out after the session of the IRIGC. To give you a quick overview of the relationship in the context of which this forum meets, India's ties with the Russian Federation are time-tested and based on continuity trust and mutual understanding. Several high-level visits have promoted and strengthened this partnership. There are annual summits at the head of Government level between the two countries since the year 2000. As you may recall, during his last visit here President Putin was the Chief Guest at the Republic Day celebrations. Besides, Head of Government level interaction, there is Parliamentary interaction. The former Speaker of Lok Sabha Shri Manohar Joshi had gone to Russia in September 2003 and addressed the State Duma.

At the Foreign Minister level, Foreign Minister Lavrov visited India in November 2006 and again in February 2007 - that was for the India-Russia-China trilateral meeting. The two Foreign Ministers have also met recently on the sidelines of the ARF in Malaga in August 2007, and they participated in the BRIC Foreign Minister's meeting in New York only in September this year.

On defence cooperation, there is a historical relationship of defence cooperation. The cooperation is not limited only to a buyer-seller relationship but includes joint research and development, training and service-to-service contacts. In fact, the External Affairs Minister as former Defence Minister had led a defence delegation in November 2005 to Russia to co-chair the 5th Session of the Inter-Government Commission on Military Technical Cooperation.

On trade and economic relations, trade remains below expectations and with tremendous potential. For that purpose, a Joint Study Group was set up to look into ways and means to enhance it. This has submitted its final report of its meeting in Moscow in July 2007 and recommends measures for increasing bilateral trade by \$ 10 billion by 2010. This will be one of the areas that will be looked at during this meeting.

On energy sector, as I said, the Group will meet before the IRIGC Session. This is a very important aspect of India-Russia relations. As you know, ONGC Videsh Limited has acquired a 20 per cent stake in the Sakhalin-I oil and gas project and has invested about \$ 1.5 billion in the project. It remains one of the largest Indian investments abroad. The Russian company Gazprom and GAIL are jointly developing a block in the Bay of Bengal. The Kudankulam nuclear power project with two units of combined capacity of 2000 MW is also a good example of India-Russia civil nuclear cooperation.

Space is another key area of cooperation between the two countries. During President Putin's visit, two space-related agreements were signed - agreement on cooperation in outer space for peaceful purposes, and the inter-space agreement for cooperation on the Russian Satellite Navigation System, Glonass. S&T also remains a very important area. There is an integrated long-term programme of cooperation between India and Russia. As you know, culture is particularly important this year round. This is the 60th anniversary of the establishment of diplomatic relations between India and Russia. Five Chairs relating to Indology have been established in Moscow, St. Petersburg, Kazan and Vladivostok. Days of Russian Culture were held in India in November 2003, and Days of Indian Culture were held in 2005 in Russia. The two countries have agreed to hold Year of Russia in India in 2008, and Year of India in Russia in 2009. I think that gives you sufficient background for the visit. Naturally there will be briefings and reports coming from Moscow. We will also have visual inputs available for you - photographs etc. - that you might like to use for your stories over the next two days.

Question: Has the agreement on Glonass been operationalised?

Official Spokesperson: Yes. Let me tell you exactly what it says. After the agreement was signed, subsequently a number of follow up agreements on Glonass have been signed. Implementation of these space cooperation agreements and programmes is going on.

Question: What is the status of implementation of this agreement?

Official Spokesperson: I do not know what is the exact implementation of the actual navigation system but we are very much part of it.

Question: There have been some reports of Indian bunkers that the Chinese have objected to on the border...(Inaudible)... apparently the Chinese had said that they will approach the issue diplomatically. Has there been any diplomatic initiative from Chinese side in this regard?

Official Spokesperson: I will take the question back and see if I can come back with something.

Question: What are the specific recommendations on trade?

Official Spokesperson: On trade, as you know, the bilateral trade turnover is about Rs.12,200 crore. I am giving a round figure. That was the previous year. Last year it was Rs.13,700 crore. Major items of export are drugs, pharmaceuticals, chemicals, cotton etc. You are familiar with all these. Important development is that India and Russia concluded a bilateral agreement on Russia's accession to WTO. This final protocol and the completion of negotiations were signed in February 2006. The Joint Study Group, which I mentioned to you, basically looks into setting up a Joint Taskforce which will be monitoring the implementation of the report. It will be looking at ways and means to increase, facilitate and smoothen the problems that we may have been having, for instance, with items like tea, diamonds and such others so that the overall impact is increase in volumes. For your information, the banking sector has been cooperating quite well. Our banks are doing well in Russia and many banks have established corresponding contacts in Russia. Ties in insurance also are improving. We have, of course, always been taking up the issue of visa facilitation for our business people, which we hope will result in greater traffic of our business people to Russia.

The Working Group on Mining and Metallurgy also, in the same context, has identified opportunities of investment in joint venture operations, particularly in research and training, waste management, etc. There is also cooperation in underground coal gasification. These are all new areas which are being looked at.

Question: When is the Prime Minister visiting Russia for the annual Summit. Or are the dates being worked out by the EAM?

Official Spokesperson: I do not know what EAM might discuss during his meeting with the Russian leadership. But, as you know, we have a tradition of an annual Summit. So, when we do have the dates of the Prime Minister's

visit to Russia, we will let you know once they are finalized.

Question: Is the BRIC Summit in the pipeline?

Official Spokesperson: I do not have anything on that.

Question: Will the Gazprom-GAIL project be reviewed?

Official Spokesperson: This already exists in the bilateral relationship. But what I would expect is that they will definitely look at the overall co-operation in the space field, and they will look at agreements that would have been signed since the last meeting. They will review them and then also see the stage of implementation of the Glonass system.

Official Spokesperson: As I said, we have civil nuclear energy cooperation in the shape of the Kudankulam Project. It is quite likely that they will review the progress in that sphere.

Question: Future programmes....?

Official Spokesperson: Possible.

Question: Cooperation in the SCO Group ...(Inaudible)...

Official Spokesperson: There is no specific working group. This is a bilateral commission which has five fixed Working Groups which are essentially like with many countries we have a Joint Commission. With Russia we have the IRIGC which looks into those specific areas. The External Affairs Minister will be there, he will be having broader discussions with the Russian leadership besides reviewing the work of the Working Groups. It is quite possible that during those discussions, not only the bilateral relationship but the regional issues which could include the one that you are mentioning may come up. It is only guesswork at this stage but it is quite possible because they will be having wider discussions.

Question: Anything on the visit of the Minister of Defence?

Official Spokesperson: I do not have any dates yet. You must ask the Defence Ministry.

Thank you.



553. Article by External Affairs Minister Pranab Mukherjee in the daily *Hindustan Times* to mark 60 years of the establishment of diplomatic relations between India and Russia.

New Delhi, October 12, 2007.

This year marks the 60th anniversary of the establishment of diplomatic relations between India and Russia on April 13, 1947. In these 60 years, the world has undergone many changes but India-Russia relations have remained a steady beacon in promoting global stability. At the core of our bilateral ties is a strong foundation of mutual respect, understanding and trust.

Even before Independence, India's thinkers and political leaders, including Rabindranath Tagore and Jawaharlal Nehru, had expressed their empathy and appreciation for Russia and its people. Tagore's Letters from Russia, published after his visit to the USSR in 1930, had a profound impact on India's academic and literary community.

In one letter, Tagore writes: "In stepping on the soil of Russia, the first thing that caught my eye was that in education, at any rate, the peasant and the working classes have made such enormous progress in these few years that nothing comparable has happened even to our highest classes in the course of the last 150 years. The people here are not at all afraid of giving complete education even to Turcomans of distant Asia; on the contrary, they are utterly earnest about it."

Those who introduced Tagore's works to Russian readers included names like Anna Akhmatova, Ivan Bunin and Boris Pasternak. In the beginning of the 20th century, Mahatma Gandhi and Leo Tolstoy exchanged thoughts through letters on subjects such as spirituality, humility and love, and passive resistance.

Nehru's visit to the USSR in 1927 left a deep impression on him about mass education, public health infrastructure and the economic progress made by the Soviet Union under the five-year 'Gos' plans. The foundations of close bilateral ties were laid during his visit to Russia in June 1955 in his capacity as PM and the subsequent visits by CPSU First Secretary Khrushchev and Premier Bulganin to India later that year. A number of high-level exchanges, including by Indira Gandhi in 1966, 1971 and 1976 and by Rajiv Gandhi in 1985, were instrumental in strengthening these ties. Soon after Indepen-

dence, our young nation received invaluable support from the USSR for the development of its economy, particularly heavy industries, infrastructure projects and technological expertise. Indians remember the generous Soviet assistance in building steel plants in Bhilai, Bokaro and Visakhapatnam, an aluminum plant in Korba and key power transmission lines and hydro-power stations, which Nehru called "the temples of modern India". Russia's contribution to the development of India's defence and space capabilities is also remembered. India's first satellite was launched by a Russian launch vehicle in 1975 and our first cosmonaut went into space on a Russian spacecraft in 1984.

The developments of the early 1990s put to test our unique ties but the relationship was reaffirmed with the signing of the Treaty of Friendship and Cooperation in January 1993. In the last decade, the pace of growth in our bilateral activities has been exceptional. In a clear reaffirmation of the priority accorded to one another, India and the Russian Federation agreed to a Declaration of Strategic Partnership during the visit of President Vladimir Putin to India in October 2000.

Intensive high-level political exchanges reflect our long-term perspective, unaffected by tactical or short-term considerations. The relationship is free from ideological or power bloc considerations. It is not surprising, therefore, that this tie has never impaired either country's relationships with third countries. Our shared vision for a peaceful, multi-polar and prosperous world is the basis for the strategic partnership and we agree that strengthening multilateralism is essential for a just and equitable world order. India and Russia are fast-growing economies, increasingly important in global trade and investment. The India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation is an effective mechanism overseeing our ties. The Joint Study Group to examine ways to increase our bilateral trade to US \$ 10 billion by 2010 submitted its report in July this year. Its implementation will ensure a quantum jump in our bilateral trade and economic cooperation. Earlier, the protocol on conclusion of bilateral market access negotiations in the context of Russia's accession to the WTO was signed in 2006.

India and Russia have a long tradition of defence cooperation and the bulk of India's defence hardware is of Soviet or Russian origin. The licensed production of T-90 tanks and SU-30 MKI aircraft and engines are examples of our strong defence ties in the post-Soviet era. Today, we have agreed to jointly design, develop, produce and market high technology defence prod-

ucts. The potential of such cooperation has been demonstrated by the joint development and production of the BrahMos cruise missile.

The long years of exchanges in the area of space have included cooperation in the launch of satellites and the visit of an Indian cosmonaut to the Salyut space station. In December 2004, two important bilateral agreements were signed: (i) Agreement on Cooperation in Outer Space for Peaceful Purposes; and (ii) Agreement on Cooperation in the Russian Global Satellite Navigation System (Glonass). The 'YouthSat' satellite for collaboration between academic institutions in Russia and India and Indian participation in Russian Science Mission Coronas-Photon are among the other important initiatives.

Energy security is central to India's interests and Russia is a natural partner as one of the world's largest producers of oil and natural gas. India's highest public sector investment abroad so far has been in Russia's Sakhalin-1 hydrocarbon project. India views nuclear energy, as a safe, sustainable and environmentally-friendly source of energy, helping meet growing demand. The ongoing collaboration with Russia in the construction of two nuclear power units of 1,000 MW capacity in Kudankulam, Tamil Nadu, is an indication of the potential for further cooperation. The 20-year-old Integrated Long-Term Programme (ILTP) for exchanges in the field of science and technology is India's largest such programme. Over 550 joint research projects have already been successfully implemented. Further, seven Joint Centres of Excellence have been set up in powder metallurgy, polio vaccine production, advanced computing, bio-technology, gas hydrates, ayurveda and seismology. The focus now is to set up a technology centre to facilitate commercial application of technologies and to increase the effectiveness of ILTP. Cutting edge areas such as nano-technology deserve greater attention for joint endeavours in the future.

Mutual appreciation and respect for each other's culture, history and way of life have characterised Indo-Russian ties at a people-to-people level. The forthcoming celebrations of the 'Year of Russia' in India in 2008 and the 'Year of India' in Russia in 2009 are aimed at strengthening the interaction and bonds.

We are both very diverse countries. Multi-ethnic, multi-lingual and multi-religious societies need strong traditions of secularism and tolerance. Managing diversity in a democratic and federal framework is a challenge both countries have faced. Today, when we are told about the need for a dia-

logue among civilisations, we recognise that the successful holding together of our social fabric is a useful model for the global community.

The 21st century faces a number of challenges, such as armed conflict, underdevelopment, disease, hunger, terrorism, WMD proliferation and environmental degradation. Many of these problems cut across international frontiers. We trust that in an increasingly interdependent world, India-Russia friendship will promote an environment of global cooperation.



554. Statement by External Affairs Minister at the 13th Session of the India - Russia Inter Governmental Commission on Trade, Economic, Scientific, Technological & Cultural Cooperation.

Moscow, October 12, 2007.

Excellency Mr. Alexander D. Zhukov, Deputy Chairman of the Government of the Russian Federation, esteemed members of the Russian delegation and Indian colleagues.

2. I am glad to be back in Moscow for this 13th Session of India-Russia Inter-Governmental Commission for trade, economic, scientific, technological and cultural cooperation (IRIGC). I recall that my last visit in November 2005 was to co-chair the Fifth Session of the Inter-Governmental Commission for military-technical cooperation. Let me note that this year marks the 60th anniversary of the establishment of diplomatic relations between our countries. These sixty years have demonstrated the strength and the depth of the bilateral relationship, which has steadily grown and today Russia is a very special and unique friend for India. We in India strongly support further development of India's strategic partnership with Russia. In this context, our IRIGC meeting will review cooperation in several important areas of mutual interest.
3. The last Session of the IRIGC in December 2006 was followed by the landmark visit of President Putin, where he also participated as the Chief Guest in our Republic Day celebrations. Several significant agreements were concluded during the visit and important directions given to further develop the relationship. To follow-up in respective

areas, all five Working Groups under the IRIGC – on trade & economic cooperation, mines & metallurgy, technology, energy and tourism & culture - have held their review meetings. The Joint Task Force on mutual financial obligations has also held a review meeting recently. The outcomes of these meetings have been summarized in their mutually agreed documents.

4. The two sides are unanimous on enhancing joint efforts towards realizing the full potential for bilateral trade, investment and economic cooperation. Bilateral trade stood at US\$ 4 billion during 2006-07. Our leadership has set a trade target of US\$ 10 billion by the year 2010 and both governments would need to pay special attention towards achieving this target. The conclusion of the report of the Joint Study Group to increase bilateral trade & investment and examine the feasibility of a Comprehensive Economic Cooperation Agreement in July this year is a substantive step forward. I commend the detailed and comprehensive nature of the report developed by our experts. The next stage is to implement the recommendations made in the report.
5. The Commerce Ministers of India and Russia, at their meeting in St. Petersburg on June 10, 2007, had agreed to set up a Joint Task Force to monitor the implementation of the recommendations of the Joint Study Group. We have since shared the text of the Terms of Reference for this Joint Task Force with the Russian side. Let us try to finalize them as early as possible so that the Task Force can be operationalized to proceed with its mandate. The Joint Study Group has also recognized that a Comprehensive Economic Cooperation Agreement will contribute to strengthening bilateral trade & investment.
6. An area of weakness, which has been identified by the Joint Study Group, pertains to inadequate awareness among enterprises on both sides about business opportunities. In this regard, the newly set up India-Russia Forum on Trade and Investment is a positive development. A successful first meeting of the Forum was held in February 2007 in New Delhi with the participation of over 500 entrepreneurs. The second Trade & Investment Forum has been proposed for January-February 2008 and we should direct our respective agencies to start preparations. The Joint Business Council among the chambers of commerce & industry on both sides could

contribute by taking initiatives to promote greater business-to-business dialogue and participation in exhibitions and other exchanges. We could also consider a bilingual IRIGC publication for reaching out to business community and relevant institutions on both sides.

7. The Working Group on trade and economic cooperation identified key areas for bilateral cooperation, such as energy, transport, high technology, chemicals & pharmaceuticals, agricultural & processed food products, diamonds and tourism. It also underlined the need for expert-level discussions on trade in animal products covering issues such as sanitary and phyto-sanitary standards & certification procedures.
8. India-Russia cooperation in ferrous and non-ferrous metallurgical industry dates back to 1950s & 60s. Investment and joint venture opportunities have been identified by the Working Group on mining and metallurgy e.g. setting up of new facilities, modernization of existing ones, technological collaboration in specific processes such as waste management, joint research and training. We are also interested in securing long-term supply of coking coal from Russia. I understand that the ongoing collaboration in another area, underground coal gasification between ONGC & Skochinsky Institute is proceeding satisfactorily.
9. The last one year has seen an increase in the interaction in the banking sector and progress in terms of opening of representative offices and establishment of correspondent relationships. Presently, thirty six Russian banks have correspondent relationships with seven major Indian banks. The sub-Group on banking and financial matters held a fruitful meeting in Jaipur on 4-5 October, 2007 and, these exchanges should facilitate bilateral trade and financial investment.
10. We have discussed simplification of visa procedures in previous IRIGC meetings and unfortunately, the situation has not improved on the ground. We are aware of Russia's position, which links a visa facilitation agreement to a readmission agreement. In order to break this deadlock and to make a beginning, we could try to identify a mutually acceptable solution so that, trade and business ties are not hindered.
11. With regard to outstanding claims, our central banks and the Joint

Task Force on mutual financial obligations have worked hard to resolve disputes. Some of these claims are relatively small in value but have an adverse impact on exporters' confidence. There are cases of alleged shortfalls in payments relating to defence supplies or pending claims of shipping companies where both sides have exchanged available documents during past meetings. If consensus is reached on outstanding sums, we may be able to identify mutually acceptable solutions. We also hope that the text of Letters of Exchange on utilizing rupee debt funds for investment would be signed at an early date.

12. In the context of energy security, it is natural for us to seek cooperation with our strategic partner Russia, which is one of the largest exporters of hydrocarbons in the world. Partnership with India in the energy sector may also serve Russian interest in diversifying its export market. There have been active contacts between our energy companies to pursue opportunities in India, Russia and third countries and we hope that there will be concrete progress as a result of this engagement. We believe that the support of the two governments will be integral to the success of their efforts. Indian oil & gas companies are interested in exploration and also the downstream sector for example refineries and pipelines. Indian and Russian agencies have been discussing an expansion in the ongoing collaboration in the field of nuclear energy and we are confident that these discussions will be successful.
13. The year 2007 marks the 20th anniversary of the India-Russia Integrated Long Term Programme (ILTP) of cooperation in the field of science & technology. As we meet, the Joint Council meeting of the ILTP is also taking place here in Moscow. Our cooperation within the framework of the ILTP covers the joint research & development projects, setting up of joint Centres of Excellence, exhibitions, seminars and transfer of technology. The Joint Technology Centre in Moscow will be a significant development for the ILTP by forming an industry interface of scientific & technological research. While a Protocol of Intent for setting up the Centre was signed in August 2006, its operationalization is still under discussion. Both sides should try for an early finalization of the Joint Working Document for this Centre. I am pleased to note that Department of Science and Technology of India and the Russian Academy of Sciences have agreed to sign MoUs for setting up three new joint Centres on

biomedical technology; non-ferrous metallurgy; and accelerators & lasers. We have noted the emphasis in Russia on the emerging frontier area of nano-technology, which is also an important field for India.

14. The Working Group on technology covers a very wide range of areas, including scientific & technological cooperation under ILTP as well as cooperation in communications & information technology. On both sides, these subjects are coordinated by different Ministries with their respective sets of institutions & organizations. We may consider reorganizing this cooperation into two Working Groups – one on science & technology and the other on communications & information technology.
15. Cultural exchanges and people-to-people ties form an important aspect of India-Russia relations and we are committed to promote them further. During the visit of President Putin in January 2007, the two governments signed the Cultural Exchange Programme 2007-2009 and decided to hold 'Year of Russia in India' in 2008 and 'Year of India in Russia' in 2009. Last week, Dr. Karan Singh, the co-Chairman from our side of the Organizing Committee for the Year of Russia in India and Year of India in Russia visited Moscow to review preparations. Ensuing events in 2008 and 2009 will provide another opportunity to further foster understanding and goodwill between the peoples of our countries, particularly the younger generation. Tourism is another important area. I understand that a few sea-side destinations in India are already popular among Russian tourists. We expect that more spots of tourist interest will catch the fancy of our Russian friends. I also hope that an enhanced flow of tourists will start in the reverse direction to the beautiful terrains and historical sites in Russia.

May I thank you, Excellency, for hosting today's deliberations and convey my appreciation to the members of the Russian delegation for their contribution to the work of this Inter-Governmental Commission.



555. Remarks by External Affairs Minister Pranab Mukherjee at the Joint Press Interaction following the India-Russia Inter-Governmental Commission Session.

Moscow, October 12, 2007.

Good afternoon.

Let me begin by thanking my host and co-chair of the India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation, His Excellency Mr. Alexander Zhukov, as well as the Government of the Russian Federation for all the arrangements that have been made for this meeting. I had a very fruitful meeting with Deputy Prime Minister Zhukov this morning and we have just concluded the plenary session of the 13th meeting of the IRIGC with the signing of the Protocol for this session. All five Working Groups under the IRIGC – on trade & economic cooperation, mines & metallurgy, technology, energy and tourism & culture - have held their meetings prior to this Session.

Deputy Prime Minister Zhukov and I had substantial discussions in all major areas of bilateral cooperation relating to trade, commerce, investment, energy, science, technology, services, metallurgy and culture. We also identified new areas, such as high technology, for a quantum increase in our bilateral trade and economic cooperation.

Our annual bilateral trade stands at around \$4 billion. Although we can derive satisfaction from the fact that this trade has been increasing steadily in recent years, I think we all recognize that it is still below potential. Accordingly, we have discussed steps for strengthening our trade and economic cooperation during the IRIGC Session.

The major Indian hydrocarbon, power and other energy-related companies have significant collaboration with Russian companies and both sides are keen to deepen and widen this further. Since Russia is one of the largest exporters of energy, chemicals and fertilizers and India a large importer of these products, there is a natural complementarity for cooperation in these areas.

The 'Year of Russia in India' in 2008 and the 'Year of India in Russia' in 2009 will be landmark events. We concurred that these events will provide us yet another opportunity to increase people-to-people contacts. Apart from culture, we also agreed to take steps to increase our cooperation in tourism, education and human resources development.

The Integrated Long Term Programme (ILTP) for Scientific and Technological Cooperation between the two countries has completed twenty years of successful collaboration. Because of functional reasons, we decided to set up a new Working Group on Science and Technology and to re-designate the existing Working Group on Technologies as the Working Group on Information and Communication Technologies.

Let me take this opportunity to thank H.E. Mr. Alexander Zhukov for his personal efforts and interest in the IRIGC. We will look forward to welcoming the Russian delegation in India next year for the 14th IRIGC Session. Let me also congratulate and extend my best wishes to both sides on the occasion of 60th anniversary of the establishment of diplomatic relations between India and Russia.

Thank you.



556. Remarks by External Affairs Minister Pranab Mukherjee at the Indian Business Alliance (IBA) meeting.

Moscow, October 12, 2007.

Dear friends and colleagues,

I am glad to join this significant gathering of Indian businessmen here today. Indian business organizations have a major role to play in Russia since the potential for partnership is very high. However, factors such as the language-barrier and the lack of awareness about opportunities can, at times, become barriers to trade and commerce. In this context, all of you have a special catalytic role to play in enhancing awareness about opportunities to raise trade and investment.

In recent years, Government of India has taken several measures to tap the strength of Indians abroad. Apart from established institutionalized mechanisms, we are proud to note that Indians abroad have become important in increasing cooperation between India and their host countries.

As you know, the 13th session of the IRIGC took place today. Although the IRIGC is a government-to-government forum, we spent quite some time discussing the role of the private sector in furthering economic cooperation between India and Russia. I am happy that IRIGC is accompanied by a

business event such as this and I expect that we will have an intensification of such interactions in the years to come.

This year, which started with the visit of President Putin to India and will end with the visit of Prime Minister Dr. Manmohan Singh to Russia, saw several important developments in our bilateral economic cooperation. The first India-Russia Forum on Trade and Investment was held in India in February. The Joint Study Group set up to analyse our bilateral trade and economic cooperation finalized its report in July. Also the Integrated Long-Term Programme (ILTP) of Cooperation in Science and Technology is celebrating its 20th anniversary this year. I mention ILTP here because we are making renewed efforts to bring work done in this area to the market. The setting up of the Russia-India Technology Centre in Moscow would be a step in this direction.

It is an extremely welcome idea to have an India Brand Equity website in Russian. The website's utility and coverage should grow with time. And this would be possible by providing the correct information with regular updates.

India's bilateral trade with Russia has been growing steadily in recent years, but all of us will have to put in special efforts to raise it several times in the next few years. The Indian Business Alliance can play a leading role in this process by attracting more Indian companies to do business in Russia. Since you are here in Russia with first hand knowledge, we look to you for inputs on the way forward. I thank you for the work you are doing and extend to you my best wishes in all your efforts for the future.

Thank you.



557. Press Release of the Ministry of Defence on the signing of the landmark Agreement between India and Russia on the Joint Development and Production of Fifth Generation Fighter Aircraft.

New Delhi, October 18, 2007.

India and Russia today signed a landmark Intergovernmental Agreement for the joint development and joint production of the Fifth Generation Fighter Aircraft (FGFA), marking the beginning of cooperation in the development of state of the art new technology major weapon systems. The agreement was signed by the Secretary Defence Production Mr KP Singh and Deputy Director of the Federal Service for Foreign Military Cooperation Mr. Vyacheslav Dzirkaln in the presence of the Defence Minister Mr. AK Antony and his Russian counterpart Mr. Anatoly Serdyukov in Moscow today. The watershed agreement was signed at the conclusion of the Seventh Meeting of the India- Russia Intergovernmental Commission for Military and Technical Cooperation. Mr Antony and Mr Serdyukov also signed a Protocol which envisages a 'new strategic relationship' based on greater interaction at various operational levels.

Speaking to reporters shortly after the signing ceremony, Mr. Antony said the two countries have agreed to strengthen and expand relations in all areas especially in the areas of joint exercises and greater cooperation in the field of Research and Development. "Now the frequency and level of exercises will be higher", Mr. Antony said. He said talks with Russia have started to extend the Military Cooperation Agreement beyond 2010. The pact had been signed during the Russian President Mr. Vladimir Putin's visit to India in 2000.

The Defence Minister described the Agreement on FGFA as a 'major landmark' and said that the Indo-Russian relationship is on a trajectory to reach new heights. He hoped that the two countries would soon sign an Intergovernmental Agreement on co-development and co-production of Multi-Role Transport Aircraft. Mr. Antony expressed satisfaction at the outcome of discussions on other important projects e.g., supply and licensed production of T-90 tanks, SU-30 MKI aircraft and other strategic issues. He admitted that there has been a delay in the delivery of the repaired and refurbished aircraft carrier Admiral Gorshkov along with supply of deck-based fighter aircraft MiG-29-K and said it was decided that some more studies by technical groups would be done to go through the details. He appreciated the

efforts made by the Russian side to resolve issues relating to life cycle support of equipment of Russian origin.

On the question of Integrity Pact, he said, "the objective is neither to create problems for anybody nor to favour anybody. What India wants is transparency in all defence purchases. In the past, there have been a lot of controversies. We want to avoid it. We want speedy modernisation but with transparency. Integrity Pact is one of the safeguards for transparency".



558. Response of Official Spokesperson to questions relating to the visit of External Affairs Minister to Russia.

New Delhi, October 18, 2007.

EAM's visit to Moscow on 11-12 October 2007 was to co-chair the India-Russian Inter-Governmental Commission to promote economic, technological and cultural cooperation. He had detailed discussions with his Russian counterpart, Deputy Prime Minister Alexander Zhukov. In particular, agreement was reached on operationalising the Report of the Joint Study Group to enhance India-Russian economic cooperation.

On occasion, other meetings are held during such visits in both India and Russia. However, the Russian Ministry of Foreign Affairs explained to us that this was not possible this time. This does not in any way affect the friendly ties between the two countries.

There have been exaggerated comments¹ and analysis in the media on the visit of EAM to Moscow. These are without foundation and seek to draw inferences that are completely unwarranted.



1. The Spokesperson was referring to the media stories which highlighted the fact that during the EAM's visit to Moscow, he could not meet with his counterpart or with President Putin. There were also reports of EAM being frisked by the Russian security at the Moscow airport while returning. The media was quick to reach the conclusion that it marked a chill in the India - Russia relations.

559. Press Release of the Ministry of Defence on the visit of Defence Minister A. K. Antony to Moscow.

New Delhi, October 18, 2007.

India and Russia today signed a landmark Intergovernmental Agreement for the joint development and joint production of the Fifth Generation Fighter Aircraft (FGFA), marking the beginning of cooperation in the development of state of the art new technology major weapon systems. The agreement was signed by the Secretary Defence Production Mr KP Singh and Deputy Director of the Federal Service for Foreign Military Cooperation Mr. Vyacheslav Dzirkaln in the presence of the Defence Minister Mr. AK Antony and his Russian counterpart Mr. Anatoly Serdyukov in Moscow today. The watershed agreement was signed at the conclusion of the Seventh Meeting of the India- Russia Intergovernmental Commission for Military and Technical Cooperation. Mr Antony and Mr Serdyukov also signed a Protocol which envisages a 'new strategic relationship' based on greater interaction at various operational levels.

Speaking to reporters shortly after the signing ceremony, Mr Antony said the two countries have agreed to strengthen and expand relations in all areas especially in the areas of joint exercises and greater cooperation in the field of Research and Development¹. "Now the frequency and level of exercises will be higher", Mr. Antony said. He said talks with Russia have started to extend the Military Cooperation Agreement beyond 2010. The pact had been signed during the Russian President Mr. Vladimir Putin's visit to India in 2000.

The Defence Minister described the Agreement on FGFA as a 'major landmark' and said that the Indo-Russian relationship is on a trajectory to reach new heights. He hoped that the two countries would soon sign an Intergovernmental Agreement on co-development and co-production of Multi-Role Transport Aircraft. Mr. Antony expressed satisfaction at the outcome of dis-

1. On October 17, ahead of his discussions and the Seventh Meeting of India- Russia Intergovernmental Commission on Military Technical Cooperation, the Defence Minister had expressed confidence that a major breakthrough was likely to be achieved on key projects under discussion between the two countries. Speaking to reporters after laying a wreath at the Tomb of the Unknown Soldiers at Alexandrovsky Garden in Moscow, he said 'relationship between India and Russia is special' and his visit was meant to further expand the scope of cooperation between the two countries. He said his visit would prepare the groundwork for the visit of the Prime Minister Dr. Manmohan Singh to Moscow next month (November). Asked to compare the Indo-US relationship with Indo-Russian

relationship, Antony said that India "has cordial relationship with many countries including the United States. The improvement in our relations with the United States is not at the cost of our old friendship with Russia". He stressed that New Delhi's relations with Moscow in general and specially defence cooperation in particular were set to grow. Speaking at the opening of the 7th session of the Indo-Russian Inter-governmental Commission on Military Technical Cooperation on October 17, Mr. Antony, who co-chaired the IGC for India, voiced confidence that defence ties between the two countries "would grow stronger in the years to come." The Minister expressed the hope that the session would give further impetus to "the existing strong relationship" between the two countries in the defence sphere and help to resolve ongoing problems such as providing life-long product support to Russian-made weapon systems and delays in modernisation of the Gorshkov aircraft carrier for the Indian Navy. At the same time, he praised the "unique" character of the defence cooperation between India and Russia. "Russia is the only country with which we have elaborate institutionalised arrangements," he said. The Defence Minister said Russia was and would remain India's biggest defence partner. Mr. Antony said: "The larger part of the inventory of our armed forces is of Russian origin and this is likely to remain so for many years to come. India wants not only to maintain but to strengthen defence ties with Russia." Over the years defence ties with Russia had evolved from buyer-seller relations to joint development and production of defence equipment. Russia's Defence Minister Anatoly Serdyukov described the Indo-Russian defence ties as "large-scale, plan-based and long-term." He said bilateral defence deals were under the constant control of the top leadership of the two countries. "Russia is also set to lease out to India an Akula-II nuclear submarine for a period of 10 years beginning with 2008 or 2009," the *Izvestia* Russian national daily reported on October 18. During the two-day session, the two sides decided to start drafting a new long-term programme for defence cooperation. The current programme for the period 2000-2010 involves 200 defence projects estimated at \$18 billion. "We will further strengthen all-round defence cooperation and extend it to the future," Mr. Antony said after the close of the IRIGC session. "We have decided to expand our cooperation in R&D and have more co-development and co-production projects in aviation and other defence hardware." Describing the IRIGC session as a "landmark" event, Mr. Antony said an intergovernmental agreement for the joint design and manufacture of the Multi-Role Transport Aircraft (MTA) for the military would be signed shortly. (Russian sources said the deal would be inked during the visit of Prime Minister Manmohan Singh to Russia for a summit with President Vladimir Putin (This Agreement was signed in November). The military of the two countries also decided to increase the frequency and raise the level and scope of joint military exercises, as well as expand reciprocal training programmes. "This will mark the start of a new strategic relationship based on greater interaction at the various operational levels," Mr. Antony remarked. The Minister said all questions pertaining to the acquisition and production of T-90S Main Battle Tanks, Su-30MKI planes and other equipment had been sorted out. Russia would supply more 347 T-90S tanks and 40 Su-30MKI jets. Summing up the results of the IRIGC, Mr. Serdyukov said: "Russian-Indian military-technical cooperation is developing dynamically and progressively in such fields as joint development of technologies, joint production and supplies of military products to third countries, and the perfection of business and financial relations with the view of attaining effectiveness and mutual benefit." Commenting on the 5th-generation jet pact, the head of the Sukhoi aircraft company, which is designing the plane, said joint work on the project would be modelled along the lines of the BrahMos missile joint venture. "We will share the funding, engineering and intellectual property in a 50-50 proportion," Mikhail Pogosyan said. "We hope that the export potential of the new aircraft will be higher now that it is a joint project between our two countries." He disclosed that the Indian version of the 5th-generation aircraft would be different from the Russian version because of specific Indian requirements.

cussions on other important projects e.g., supply and licensed production of T-90 tanks, SU-30 MKI aircraft and other strategic issues. He admitted that there has been a delay in the delivery of the repaired and refurbished aircraft carrier Admiral Gorshkov along with supply of deck-based fighter aircraft MiG-29-K and said it was decided that some more studies by technical groups would be done to go through the details. He appreciated the efforts made by the Russian side to resolve issues relating to life cycle support of equipment of Russian origin.

On the question of Integrity Pact, he said, "the objective is neither to create problems for anybody nor to favour anybody. What India wants is transparency in all defence purchases. In the past, there have been a lot of controversies. We want to avoid it. We want speedy modernisation but with transparency. Integrity Pact is one of the safeguards for transparency".



560. Press Release of the Ministry of External Affairs announcing visit of Prime Minister Dr. Manmohan Singh to Russia.

New Delhi, November 6, 2007.

1. At the invitation of the President of the Russian Federation, H.E. Mr. Vladimir V. Putin, the Prime Minister of India Dr. Manmohan Singh will visit Russia on 11-12 November, 2007. Several bilateral documents are expected to be concluded during the visit.
2. The visit will be in continuation of annual Summit meetings between India and Russia institutionalized since the first visit of H.E. Mr. Vladimir Putin as President to India in October 2000. The last Summit was held in New Delhi during President Putin's visit on 25-26 January 2007, when he also participated as Chief Guest at our Republic Day celebrations. Since then, a series of high-level visits have taken place between the two countries to strengthen bilateral cooperation in various areas.
3. External Affairs Minister, Shri Pranab Mukherjee led an inter-Ministerial delegation to Moscow on 11-13 October 2007 for the 13th Session of the Inter-Governmental Commission on Trade, Economic, Scientific, Technological & Cultural Cooperation. The Commission,

which was co-Chaired on the Russian side by the Deputy Prime Minister Mr. Alexander Zhukov, reviewed the work of the five Working Groups – Trade & Economy, Mines & Metallurgy, Energy, Technology and Tourism & Culture. Earlier in July 2007, a Joint Study Group co-Chaired by the Commerce Secretary finalized its report on increasing bilateral trade to US\$ 10 billion by 2010.

4. There is ongoing dialogue and exchange of views between the two governments on various issues of mutual interest. External Affairs Minister met the Russian Foreign Minister on 24 October 2007 in Harbin (China) on the sidelines of India-Russia-China Trilateral Foreign Ministers Meeting and on 1 August 2007 in Manila on the sidelines of ARF / EAS meetings. The two Foreign Ministers also participated in BRIC (Brazil-Russia-India-China) Foreign Ministers Meeting in New York on 24 September 2007 and India-Russia-China Trilateral Foreign Ministers Meeting in New Delhi on 14 February 2007. National Security Advisor, Shri M.K. Narayanan paid a visit to Russia on 27-28 August 2007 and the Acting Secretary of the Russian Security Council, Mr. Valentin Sobolev visited India on 28 October – 1 November 2007.
5. Raksha Mantri Shri A.K. Antony visited Russia on 17-19 October 2007 for the 7th Session of the Inter-Governmental Commission on Military Technical Cooperation, which was co-Chaired by the Russian Defence Minister, Mr. Anatoly Serdyukov. During the visit, the two countries signed an Inter-Governmental Agreement on Cooperation in the Development and Production of Multi-Role Fighter Aircraft.
6. This year, the Integrated Long Term Programme for Scientific & Technological Cooperation (ILTP) between India and Russia has completed 20 years of fruitful work. A Joint Council of the ILTP, which was co-Chaired by the Chairman of the Scientific Advisory Council to the Prime Minister, Prof. CNR Rao, was held in Moscow on 11-12 October 2007. During the meeting, the two sides concluded a Memorandum of Understanding on the setting up of three new joint centres of excellence on non-ferrous & rare metals, bio-medical technology and accelerators & lasers. There is ongoing cooperation in the space sector in terms of implementation of various inter-Governmental agreements under an umbrella agreement on cooperation in outer space for peaceful purposes signed in December 2004.

7. Dr. Karan Singh, President of the Indian Council for Cultural Relations visited Russia from 7-10 October 2007 to discuss preparations for the 'Year of Russia' in India in 2008. Earlier, during the visit of President Putin to India in January 2007, the two sides had signed a Protocol on holding 'Year of Russia' in India in 2008 and 'Year of India' in Russia in 2009. The 'Year of Russia' will be inaugurated in early 2008 and the year-long programme will include exhibitions, trade fairs, seminars, book fair, film festivals, industry interactions, fashion & food events and various cultural performances.
8. In 2007, India and Russia are also commemorating the 60th anniversary of the establishment of diplomatic relations between the two countries (13 April). In this regard, a Plan of Major Events adopted during President Putin's visit to India in January 2007 is being implemented.



561. Interview of Prime Minister Dr. Manmohan Singh with RIA Novosti.

November 9, 2007.

Q 1. Your visit to Russia, and meetings and negotiations with Russian President Vladimir Putin are taking place on the eve of the Year of Russia in India. What significance do you attach to this major event in bilateral relations? What role will the mass media of the two countries play in covering the Year's events?

Ans: The "Year of Russia" in India will be inaugurated in 2008 after my visit to Moscow. In January 2007, it was in President Putin's and my presence that the Protocol on holding the 'Year of Russia' in India in 2008 and the 'Year of India' in Russia in 2009 was signed in New Delhi. The co-Chairs of the respective Organizing Committees - Dr. Karan Singh, the president of the Indian Council for Cultural Relations (ICCR) and Mr. Alexander Zhukov, a Russian deputy prime minister - met in early October 2007 in Moscow and finalized the contours of the program for the Year of Russia in India in 2008.

The Year of Russia and India is an important joint effort to further strengthen the understanding and bonds of friendship at the people-to-people level. The events will encompass diverse fields of human endeavor, including art

and culture, science and technology, and economy and industry. Exhibitions, trade fairs, industry and media interactions, scientific exhibitions, seminars, books fairs, film festivals, and fashion and food events will form part of the Year of Russia in India, involving federal and regional governments on both sides.

The mass media has a critical role in publicizing the events. The mass media should in fact become part of the festivities. It should contribute to overcoming all barriers of language.

Q 2. What do you think of the political and strategic cooperation between Russia and India at present and in the future?

Ans: India and Russia have enjoyed close ties of friendship and partnership over the last sixty years. Russia occupies a special and unique place in India's foreign relations. Our time-tested relationship is based on deep mutual trust and understanding.

Today India and Russia are strategic partners. Our geo-political interests have always had much in common. We have intensive contacts at all levels, not least through the mechanism of annual summit-level exchanges institutionalized by President Putin during his first visit to India in 2000. I am grateful to President Putin for his strong personal commitment to Indo-Russian relations.

India and Russia present a unique example of two large states with a strong interest in a peaceful, secure and prosperous world order and high stakes in the orderly of the functioning international system. Our shared world view, which envisages a strong role for the United Nations, could help foster closer political relations and cooperation in multilateral forums.

I am very optimistic about the future of our strategic partnership with Russia.

Q 3 What do you think stands in the way of the growth of Indian exports toS Russia, and what prevents a diversification of bilateral trade in general? What steps do you expect from your Russian partners?

Ans: The volume of our two-way bilateral trade is still far below its true potential. Currently, India's exports to Russia are around US\$ 1 billion, which is less than 1% of India's overall exports and Indian imports from Russia are about 1.2 % of Russia's total exports. Relatively high trans-

portation costs and inadequate exchanges between Indian and Russian businessmen are some of the reasons for these low trade volumes.

Diversification of trade to high value items such as gems and jewellery could offset the transportation cost disadvantage. Rationalization of tariff lines, setting up of joint ventures and greater information exchange would also contribute to enhancing trade. Additionally, there is potential for investment in sectors such as machinery, automobiles, pharmaceuticals, agricultural and food products. A greater involvement of the private sector is essential to expanding bilateral trade. Quality standards and certification requirements need to be mutually agreed upon.

The two governments set up a Joint Study Group in 2006 to examine measures to boost bilateral trade to US\$ 10 billion by 2010 and to study the feasibility of signing a Comprehensive Economic Cooperation Agreement. The report of the Joint Study Group has been submitted, and is in the process of examination by our governments.

I look forward to discussing these issues with President Putin.

Q 4 India welcomes foreign investment, but Russian investment in the Indian economy is clearly insufficient. What is the reason for this and how can it be remedied?

Ans: India and Russia are two of the fastest growing economies in the world. Both countries have been attracting significant Foreign Direct Investments.

One of the reasons for the currently limited investments seems to be the lack of information and awareness among the business communities on both sides. We set up the India-Russia Forum on Trade and Investment last year for business-to-business interaction. The first meeting of this Forum was held in February, 2007 in India with the participation of over 500 businessmen from both countries. The next meeting of the Forum is scheduled for February 2008 in India. Our banks and financial institutions are now meeting regularly and more banks are seeking to establish correspondent relations. This should contribute to facilitating investments between our two countries.

Q 5 India actively cooperates with many countries in the military-technical sphere. What is Russia's role in this cooperation and what needs to be done by Russia to further strengthen bilateral strategic ties?

Ans: Russia is India's most important partner in defense cooperation. Russia is the only country with which we have a formal mechanism of an Inter-Governmental Commission for military-technical cooperation, which meets annually under the chairmanship of the two defense ministers.

Defense cooperation is an integral element of our strategic partnership. Many defense contracts are at various stages of implementation. Joint research, development and production of defense equipment will continue to play an important role in strengthening India's strategic partnership with Russia.

An inter-governmental agreement for cooperation in the production and development of fifth generation multi-functional fighter aircraft has been recently signed. I am sure that bilateral collaboration in the field of military technical cooperation will continue to grow in the future.

Q 6 What is the significance of, and what are the prospects for, alternative energy sources and nuclear power in guaranteeing the country's energy independence and meeting the needs of a growing economy? In view of the positive experience in developing the Sakhalin I deposit, how do you see the development of cooperation between Moscow and New Delhi in the search for and joint development of hydrocarbon fuel reserves?

Ans: With its immense proven reserves of oil and gas, Russia is bound to play a critical role in global energy security in the years ahead. India is currently the fourth largest importer of oil and gas in the world. With India growing at over 8-9 per cent per annum, our energy requirements are increasing rapidly. President Putin has defined energy security as not just security of supply but also security of demand. India can be a major guarantor for energy demand.

Indian and Russian oil and gas companies are engaged in discussions to expand their cooperation beyond the Sakhalin-1 project. At the same time, India is seeking to attract international oil companies to bid for exploration blocs and Russian oil and gas companies are active in India.

Enhancing power generation capacity is an extremely important objective for India. India needs energy from all sources, including renewable and nuclear energy. We have plans to produce 20,000 MW of nuclear power by 2020. International civil nuclear energy cooperation will enable us to augment our nuclear energy production. We are grateful for Russia's ongoing

partnership in the construction of nuclear power units in India. During President Putin's visit to India in January 2007, we issued a joint statement on cooperation in the field of peaceful uses of atomic energy.

Q 7 What in your opinion are the prospects for cooperation in such areas as science, high technologies, nanotechnology, and space?

Ans: Without doubt, there are excellent prospects. India already has extensive cooperation with Russia in the field of science and technology under the umbrella of the Integrated Long Term Program. This program has been in operation for 20 years, and has many achievements. The setting up of seven Joint Centers of Excellence is one example. Marketing of technologies is an important focus area for both our countries. We are planning to set up a Joint Technology Centre. Nanotechnology and biotechnology are two potential areas of special significance for future cooperation.

Our cooperation in the space sector dates back to the launch of the Indian satellite 'Aryabhata' in April 1975. Indian and Russian space agencies are cooperating in the joint development and use of the Russian satellite navigation system GLONASS, in a joint satellite project involving university students from both sides called YOUTHSAT, and through Indian participation in the Coronas Photon scientific mission. I am particularly excited about our joint mission for lunar exploration.

Q 8. Where do you see Russian-Indian relations in, say, 15 years' time?

Ans: Indo-Russian relations will grow to great heights. The evolution of our relations will be based on the solid foundation of the last sixty years. I see a continuing convergence and similarity of our world views on major international issues. We have a shared destiny, and a common neighborhood where we seek to build an atmosphere of peace, stability and cooperation. India and Russia will continue to work together to shape an equitable international order which reflects contemporary realities.

I also see much more collaboration to exploit our mutual strengths and complementarities. The rapid growth of our economies will create new opportunities for mutual cooperation, particularly in the area of energy security. Apart from this, the traditional pillars of our strategic partnership can be expected to see a further deepening.



562. Statement of Prime Minister Dr. Manmohan Singh before his departure for Russia.

New Delhi, November 11, 2007.

I am visiting Russia for the next annual bilateral Summit with President Putin. Ever since President Putin's first visit to India in 2000, the practice of holding annual summits has led to the progressive consolidation of our relations and maintained the momentum of our very close high level contacts.

The India-Russia Strategic Partnership is an enduring bond of friendship, which has strong historical roots. Our relations with Russia have traditionally been a factor of peace and stability in the region and beyond. I am convinced that the strong fundamentals of mutual trust and a shared world view on regional and global issues would continue to bring our two countries closer together in a dynamic international environment.

Our multifaceted bilateral cooperation with Russia is based on long-term interests. The year 2007 is the 60th year of the establishment of India-Russia diplomatic relations. As we rejoice in our joint accomplishments during the six decades of unbroken friendship, we also stand committed to further deepen our partnership in the fields of trade and investment, defence, energy security, science and technology, space and other areas of mutual benefit.

I look forward to continuing my discussions with President Putin to further strengthen India's relations with Russia. I will convey to him the high priority that India attaches to its partnership with Russia, and the benefits that this partnership has brought to our two peoples. I am confident that my visit will lead to a reaffirmation of our joint endeavour towards creating greater economic prosperity and a secure, stable and peaceful world order.



563. Opening Remarks of Prime Minister Dr. Manmohan Singh at Joint Press Interaction with Russian President Vladimir Putin.

Moscow, November 12, 2007.

This is the eighth annual summit between India and Russia and my fourth visit to Russia as Prime Minister. I am truly delighted to be back in your beautiful country. Let me thank you, Mr. President, for the warm reception and hospitality accorded to me and my delegation.

I am extremely satisfied with my discussions with President Putin¹. They were characterized by warmth, cordiality and unanimity on all issues of mutual interest. There has been substantial forward movement on many of the issues that we had discussed at our last Summit in January. We held wide-ranging discussions and identified areas for further cooperation between our two countries.

1. The Russian leader in his remarks said the talks showed that the two countries shared "identical or close views on all issues discussed." He described his meeting with the Prime Minister as "highly constructive and open." "We have confirmed our interest in pursuing bilateral interaction in all directions," Mr. Putin said. Foreign Secretary Shivshankar Menon told the media that a restricted meeting between the two leaders that preceded delegation-level talks went on for more than two hours, which is unprecedented for such interactions, and was marked by "real warmth" and "real meeting of minds." Both leaders underscored the importance of defence cooperation. Dr. Singh described it as "one of the pillars of our strategic partnership." Referring to the signing an inter-government agreement for the development and production of a multi-role transport aircraft (MTA) on the heels of another agreement for joint construction of a futuristic fifth generation fighter plane, Mr. Putin said. "The two agreements open up new prospects for our cooperation in a highly sensitive area of defence." India and Russia also signed agreements to mount a joint space mission to the moon, to combat drug trafficking and unitise rupee debt funds for Russian investments in India. The Foreign Secretary said the Chandrayaan-II unmanned mission, involving landing a rover on the moon would hopefully come before the end of 2011 and would provide a "huge impetus" to space research. Both Mr. Putin and Dr. Singh voiced support for trilateral cooperation among Russia, India and China. Mr. Putin noted that triangular interaction had been put on a permanent basis and showed a tendency for "expansion and deepening in various directions." The two sides covered a host of issues - defence, atomic energy, space and international and regional issues such as Iran and the situation in Pakistan. On the supply of nuclear reactors the Prime Minister restricted himself to answering a query by saying work on the inter-governmental agreements for the supply of four additional reactors, "which Russia had promised in January, is in progress." He said he looked forward to expanded cooperation in civilian nuclear energy between the two countries. As the supply of reactors depended on India crossing the International Atomic Energy Agency and Nuclear Suppliers Group stages, Singh said it was a subject of discussion between the government and its allies. "The process of evolving a national consensus is still on," he said. The PM thanked Putin for Russia's steadfast support in supplementing India's nuclear energy programme - by the supply of fuel to Tarapore and two reactors at

I also had a useful and productive exchange of views with Prime Minister Zubkov.

We discussed ways to substantially upgrade our economic ties, which should form the bedrock of our strategic partnership. We agreed that there are enormous opportunities for collaboration.

We discussed the recommendations made by the Joint Study Group and the establishment of a Joint Task Force to implement them.

I am happy that we have been able to satisfactorily resolve the long pending issue of the utilization of the rupee debt fund. We also agreed to redouble our efforts to achieve a bilateral trade target of 10 billion US dollars by 2010.

I will be meeting the captains of Russian industry and a high-level Indian business delegation later in the evening. I will urge them to invest more in this relationship.

High technology is an area of great promise. Our cooperation is symbolized by the agreement on Chandrayan II, which will include a joint mission to the Moon involving an orbiter, a lander and a rover to carry out scientific studies.

We continued our dialogue on energy. I thanked the President for Russia's steadfast support in supplementing our nuclear energy programme, and its assistance in lifting international restrictions on nuclear cooperation with India that are still in place.

Kudankulam in Tamil Nadu - and its assistance in lifting international restrictions on nuclear cooperation with India that are still in place. Singh's allusion ostensibly was to Moscow's support of New Delhi in the NSG, whose waiver it needs to partake of nuclear commerce. In the same context, Putin remarked that India knew that Russia was a reliable partner. "This visit has seen a huge impetus on space cooperation," Menon told mediapersons. He said India would be an equal partner in the development of technology for Chandrayaan II. On the nuclear reactors, the Foreign Secretary said Russia has always been a reliable supplier. "We have always relied on them and will broaden the cooperation when we can." Besides cooperation in space and defence, including the development and production of multi-role transport aircraft, the two sides accorded "high priority" to trade and investment, which has "lagged far behind our excellent political understanding and joint commitment to strategic partnership". It may, however be added in parenthesis that on October 12 Russian Dy. Prime Minister Alexander Zhukov said in Moscow that the nuclear pact for four reactors would be signed in November during the Prime Minister Manmohan Singh visit. He said this is the presence of EMA Pranab Mukherjee after attending the Inter Governmental Commission for Trade, Economic, Scientific-technical and cultural cooperation.

Defence cooperation is one of the pillars of our strategic partnership. Our decision on the co-development and co-production of the Fifth Generation Fighter and the Multi-role Transport Aircraft are major steps forward².

We had a constructive discussion on regional and global issues. There is a mutuality and convergence in our interests. We highly value Russia's role in international affairs and its global leadership on key issues.

Our two countries are preparing enthusiastically for the "Year of Russia in India" in 2008 and "Year of India in Russia" in 2009. We wish to showcase the new Russia in India and the new India in Russia. I have invited both the President Putin and the Prime Minister Zubkov to India.

Ours is a strategic partnership that has stood the test of time. Through our discussions today we have consolidated and strengthened our engagement in different areas. I am very satisfied with the results of my visit.



2. The India-Russia accord on development and production of a multi-role transport aircraft (MTA) signed in Moscow marked the beginning of the second major joint research and development initiative in the aviation sector between the two sides. The first one fructified during Defence Minister A.K. Antony's visit to Moscow last month. Both countries agreed to develop and produce the fifth generation fighter aircraft. This is the first time they agreed to develop substantial military platforms - the fifth generation fighter and the MTA. While the fifth generation aircraft will take care of India's security needs after a decade, the latest agreement would replace the An-32, the ageing workhorses of the Indian Air Force, and also give India a first-ever toehold in the exports market. The MTA, with a 15 to 20 tonne payload capability, will be configured for a variety of roles - cargo, troop transport, para-drop, and casualty evacuation, air dropping of supplies, weapon delivery and aerial refueling. As per the pact, the Russian armed forces will buy 100 of the aircraft and the IAF 45. Sixty will be earmarked for sale to third countries.

564. Speech of Prime Minister Dr. Manmohan Singh at the meeting of Indian and Russian businessmen.

Moscow, November 12, 2007.

"It gives me immense pleasure to meet you all in Moscow. I attach great importance to interaction with entrepreneurs and businessmen of Russia and India. You represent the business and industry of two of the most rapidly growing emerging economies of the world.

In the post-1991 period, the content and format of the economic relations between India and Russia have been redefined. The rapid growth of our markets and economic reforms have created trillion dollar economies in both our countries.

The Indian economy is today witnessing an annual GDP growth rate of about 9%. Never before has such a growth rate been sustained year after year. Our target is to attain a growth rate of 10% in the 11th Plan period.

We have strong macroeconomic fundamentals. Our growth process is largely based on growing domestic consumption. Our foreign exchange reserves have crossed US\$ 250 billion. We expect to receive Foreign Direct Investment of about US\$ 30 billion this year. Our savings and investment rates are close to 35% of our GDP.

We have a highly favourable demographic profile and a robust educational system. We have plans to establish 6000 model schools in the country, open 30 new Central Universities, 370 new colleges, and undertake a huge expansion of Institutes of Technology, Management and Science. I have announced a major expansion in our vocational educational and skill development programme.

Infrastructure development is today a high priority in India. Our infrastructure needs are estimated at over 450 billion dollars over the next five years. Mechanisms have been institutionalized to sustain high levels of investment through public-private partnerships, systematic bidding systems and innovative financing mechanisms.

There are thus enormous opportunities that are opening up in India and government is playing the role of a facilitator. But there is only so much governments can do. There is no substitute for a vigorous two-way engagement between the business communities of India and Russia. I regard today's meeting as a vital step in that direction.

Trade and investment relations between India and Russia have lagged far

behind our excellent political understanding and our joint commitment to strategic partnership. President Putin and I have therefore identified this aspect as having a high priority. We wish to see our economic engagement expand to become a major pillar of the Indo-Russian strategic partnership.

If Russia's trade with China is US\$ 35 billion and with the European Union it is more than 200 billion Euros, I see no reason why India-Russia trade should languish at the level of US\$ 4 billion.

During my last visit, we had decided to set up an Indo-Russian Joint Study Group to suggest ways to enhance our bilateral trade volume to US\$ 10 billion by 2010. I am happy to inform you that the Government of India has approved the report of the Joint Study Group. We have also decided to set up a Joint Task Force to implement the recommendations.

I would like to mention some of the more promising areas for future cooperation. India's energy requirements are going to increase manifold. India has the technological and financial capabilities to participate in both upstream and downstream areas in the hydrocarbon sector. Our refining capacity is projected to double by 2012 from the existing level of 120 million tonnes. There is an expanding market and organized distribution channels. I believe that there are bilateral synergies in this important sector waiting to be exploited.

I would also mention the immense possibility for joint investments in the areas of banking, information technology, telecommunications, high-technology sectors, power, pharmaceuticals and textiles. Indian and Russian enterprises can collaborate in third country markets.

Russia is the second largest producer of rough diamonds in the world. India is the largest processor of rough diamonds, representing more than 80% of the world's mined production. Indian companies have strong presence in the international jewellery market and opportunities for collaboration need to be explored.

India will be hosting the second meeting of the Indo-Russian Forum on Trade and Investment in India in February next year. We look forward to receiving a strong contingent of businessmen and entrepreneurs from Russia. Such meetings should become frequent and lead to tangible outcomes.

It is your enterprise and entrepreneurship that have created the growth story in our two countries. It is this same spirit that we look upon to give a big leap forward to our bilateral economic relations. I assure you that our two governments are fully committed to make this happen."



565. Agreement between the Federal Space Agency and the Indian Space Research Organisation on Cooperation in the field of Joint Moon Exploration within the Framework of the Agreement between the Government of the Republic of India and the Government of the Russian Federation on Cooperation in the field of Exploration and Use of Outer Space for Peaceful Purposes.

Moscow, November 12, 2007.

The Federal Space Agency (hereinafter referred to as Roscosmos), on the one part, and **the Indian Space Research Organisation** (hereinafter referred to as ISRO), on the other part, hereinafter referred to as "the Parties",

GUIDED by the Agreement between the Government of the Russian Federation and the Government of the Republic of India on Cooperation in the Field of Exploration and Use of Outer Space for Peaceful Purposes of December 3, 2004 (hereinafter referred to as "the Agreement on Space Cooperation"),

BEING AWARE of the importance of Moon exploration and taking into consideration the uniqueness of scientific tasks arising in connection with this,

TAKING INTO CONSIDERATION the mutual interest of the Parties in the implementation of the joint lunar exploration mission with launch of joint spacecraft,

DESIRING to promote cooperation between Russian and Indian scientists in the field of space sciences,

HAVE AGREED as follows:

**Article 1
Objective**

The objective of this Agreement shall be to define the organizational, technical and legal framework for the implementation of cooperation between the Parties and their Designated Organisations in the field of the Joint Moon Exploration.

**Article 2
Subject of cooperation**

The cooperation between the Parties within the framework of the present Agree-

ment shall comprise of joint realization of spacecraft for Moon exploration including (i) the Moon Orbiter Module, and (ii) the Moon Lander and Rover Module.

The Moon Orbiter Module, hereinafter referred to as “the Orbiter” shall be placed into the near-Moon polar orbit for the implementation of scientific studies from the above mentioned orbit;

The Moon Lander and Rover Module, hereinafter referred to as “Lander Rover”, shall be delivered to the Moon surface, for in-situ scientific studies at the Moon near-polar area.

The Orbiter and the Lander Rover in their integrated form shall be hereinafter referred to as the “Integrated Spacecraft.”

Article 3 Planning and management

1. The joint activity within the framework of the present Agreement shall be performed on a phase-by-phase basis and aimed at the solution of the following tasks:
 - a) integration of the Orbiter and the Lander Rover, implementation of the complex ground tests, and launch of the integrated spacecraft by an Indian launch vehicle (GSLV) during 2011-2012;
 - b) operation of the Orbiter and Lander Rover during the various phases of the transfer to the Moon orbit, injection into the near-Moon orbit and landing on the Moon surface;
 - c) carrying out of scientific studies in the Moon orbit and on the Moon surface;
 - d) station keeping of the Orbiter, operation of the Lander Rover and acquisition, processing and analysis of scientific data.
2. A joint working group shall be established by the Parties for the management and coordination of the work indicated in paragraph 1 of the present Article, including the coordination of the schedules for the Orbiter and Lander Rover development, the plan of the joint scientific studies and experiments, as well as the development of the mission management concept. This joint working group shall

include representatives of Roscosmos, ISRO, as well as of the Russian and Indian Designated Organizations and Participants taking part in the work within the framework of the joint project.

Article 4
Responsibilities of the Parties

1. For the purposes of the implementation of the present Agreement Roscosmos shall:
 - a) have the prime responsibility for the joint development and manufacture along with ISRO of the engineering and flight models of the Lander Rover and its scientific instruments;
 - b) provide to ISRO all information necessary for making a joint decision of the sharing of responsibilities for the joint work cited in a) above;
 - c) seek to engage the relevant Russian Designated Organizations for the joint work cited in a) above;
 - d) work with ISRO to ensure the acquisition and analysis of the down-link information from the Lander Rover and for the generation of control commands during all phases of their operation;
 - e) ensure the delivery by the Russian Designated Organizations on the conditions of temporary import to the Republic of India, of mock-ups and flight models of the Lander Rover, scientific equipment, and associated control and measurement equipment and documents.
 - f) track the Lander Rover after its separation from the Integrated Spacecraft

2. For the purposes of the implementation of the present Agreement ISRO shall:
 - a) have the prime responsibility for the joint development and manufacture along with Roscosmos and its Designated Organisations of the Orbiter and its scientific instruments;
 - b) provide to Roscosmos all the information necessary for making a joint decision on the participation of the Russian Participants in the joint work cited in a) above;

- c) carry out the testing of the Integrated Spacecraft in the territory of the Republic of India, with the participation of representatives of Roscosmos and/or Russian Designated Organizations;
 - d) in due time inform Roscosmos on date of the Integrated Spacecraft launch;
 - e) have the full responsibility for providing a launch of the Integrated Spacecraft into the agreed orbit using ISRO's satellite launch vehicle GSLV;
 - f) track the flight of the Orbiter after the separation of the Lander Rover from the Integrated Spacecraft and share the information with Roscosmos.
3. For the purposes of the implementation of the present Agreement the Parties shall:
- a) provide to each other, the data necessary for the integration of the identified sub-modules and the communication links between the Orbiter and the Lander Rover;
 - b) on the basis of specific mutual arrangement, coordinate the opportunities to install Russian and Indian scientific equipment on the Orbiter and Lander Rover;
 - c) examine the possibility of placing scientific instruments from third parties in the Orbiter or Lander Rover;
 - d) jointly track the flight of the Integrated Spacecraft up to the moment of the separation of the Lander Rover from the Orbiter from it and share with each other the trajectory parameters and attitude data;
 - e) ensure the communication link between the Orbiter and the Lander Rover and the Orbiter and the spacecraft control centre.

Article 5 Designated Organizations and Points of Contact

1. According to paragraph 2 of Article 3 of the Agreement on Space Cooperation Roscosmos designates:
- i) the Federal State Unitary Enterprise "Glavkosmos" for the coordination and organizational and juridical support of the joint activity;

- ii) the Federal State Unitary Enterprise "Lavochkin Association" for the joint development of the Lander Rover module with ISRO;
- iii) the Institute of Space Research of the Russian Academy of Sciences for the development of the Russian complex of scientific equipment.

2. According to paragraph 2 of Article 3 of the Agreement on Space Cooperation ISRO designates:

- i) the ISRO Satellite Centre, Bangalore as the lead agency for the realisation of Integrated Spacecraft, and Mission Management;
- ii) the Vikram Sarabhai Centre, Thiruvananthapuram as the lead agency for the realisation of GSLV launch vehicle;
- iii) the Satish Dhawan Space Centre, SHAR as being responsible for integration and launch operations of GSLV;
- iv) the Physical Research Laboratory, Ahmedabad as the lead agency for the utilisation of the science data.

3. The representatives of the Parties for operational contacts regarding the implementation of the present Agreement shall be as follows:

on behalf of Roscosmos:

Dr. N. F. Sanko

Head of Space Complexes Division, Department of Automatic Space Complexes and Control Systems;

on-behalf of ISRO:

Mr. P. S. Sastry

Director, Advanced Technologies, ISRO HQ

Article 6 Financial Arrangements

1. According to Article 6 of the Agreement on Space Cooperation each Party shall bear expenses for the implementation of its own responsibilities as they are defined in the present Agreement.
2. Each Party shall notify and consult for suitable remedial measures

with the other Party when in case encounters financial difficulties that may affect the implementation of the present Agreement.

3. The expenses related to travel of experts should be borne by the sending organization, unless agreed otherwise.

Article 7 Use of Scientific Data

1. The Parties, their Designated Organizations and Participants in the Joint Activity shall have access to all scientific data resulting from the implementation of the joint mission.
2. Scientific data shall not be transferred by any Party to a third party without a written consent of the other Party. The use of these data for commercial purposes shall not be envisaged; however in case of their use for commercial purposes the Parties shall specifically define the terms and conditions of such use.
3. The initial results obtained during the joint Indo-Russian experiments, and research papers prepared on the basis of these data, shall be published by the Parties jointly regardless of which specific Party or its Designated Organization have obtained these results or prepared the papers.

Article 8 Investigation of Accidents or Failures

1. In case of the loss or damage to the equipment resulting from accident or failure during the integration of the Orbiter with the Lander Rover or ground tests, transportation of the completely assembled integrated spacecraft to the launch site, its integration with the launch vehicle, during launch or under other circumstances, the Parties shall grant assistance to each other in carrying out the investigation of the accident or failure. At the same time each Party shall in due time inform the other Party on the results of its own investigation.
2. If the accident or damage is related to the equipment or physical members of personnel of Roscosmos, ISRO and/or their Designated Organizations, then their representatives shall have the right, subject

to all necessary authorizations, to participate in the investigation of such an accident or failure, including the search and collection of fragments and /or separate parts of the modules or sub-modules.

3. In case of the accident or failure each Party shall guarantee the storage of fragments and /or separate parts of the integrated spacecraft that it disposes, and their delivery to the safe place for further analysis, and assist to the return of the above mentioned fragments and/or separate parts to the relevant manufacturer.

Article 9

Application of the Agreement on Space Cooperation

With regard to Intellectual Property, Exchange of Information, Property Protection, Responsibility, Customs, Export Control, Assistance to Personnel, Settlement of Disputes, the provisions of the Agreement on Space Cooperation shall be applied concerning the activity carried out within the framework of the present Agreement.

Article 10

Final Clauses

1. The present Agreement shall enter into force upon its signature and shall remain in force until December 31, 2017 (*note: launch plus 5 years*). It can be extended by mutual written consent of the Parties.
2. The present Agreement may be amended by mutual written consent of the Parties.
3. Each Party can at any point terminate this Agreement giving notice to that effect, to the other Party at least 6 month before the supposed date of the termination of the present Agreement. The termination of the present Agreement shall not affect the Parties' responsibilities according to Articles 7 and 8 of the present Agreement, unless the Parties agree otherwise. In case of the termination of the present Agreement both Parties shall endeavor to reach agreement concerning rules and conditions to minimize negative effect of the termination of this Agreement in relation to the other Party.

Done at Moscow on November 12, 2007 in duplicate, each in the Russian and English languages, all texts being equally authentic.

**For the Federal
Space Agency**

**For the Indian Space Research
Organization**



566. Agreement between the Government of the Republic of India and the Government of the Russian Federation on Cooperation to Combat Illicit Trafficking in Narcotics, Psychotropic Substances and their Precursors.

Moscow, November 12, 2007.

The Government of the Republic of India and the Government of the Russian Federation, hereinafter referred to as “the Parties”,

Aware that illicit trafficking in narcotic drugs and psychotropic substances (hereinafter referred to as “narcotics”) and their precursors, as well as abuse of narcotics undermine the political, economic, social and cultural spheres of both States and pose a serious threat to the health and well-being of their people,

Guided by the objectives of the Single Convention on Narcotic Drugs of 1961, as amended by the 1972 Protocol to the Single Convention on Narcotic Drugs of 1961, the Convention on Psychotropic Substances of 1971 and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988, and taking into account relevant resolutions adopted by the United Nations, including the XVII and XX Special Sessions of the United Nations General Assembly of 1990 and 1998,

Acknowledging that the objective of eradicating illicit trafficking in narcotics and their precursors is a common responsibility of all States of the world and requires coordination of actions within the framework of multilateral and bilateral cooperation,

Determined to develop mutual cooperation with a view to effectively resolving the issue of illicit trafficking in narcotics and their precursors,

Sharing their deep concern over the illicit cultivation, production, processing and trafficking in narcotics,

Recognizing that the medical use of narcotics continues to be indispensable for the relief of human pain and suffering and that adequate measures must be taken to ensure the availability of narcotics for such purposes,

Emphasizing the need for concerted actions in the legal field and in the sphere of cooperation between law enforcement and other competent authorities taking into account the constitutional, legal and administrative systems of the States of the Parties and based on respect for their national sovereignty,

Recognizing the need for promotion of effective information exchange including in the field of mutual technical cooperation, prevention, treatment, rehabilitation and social reintegration of drug addicts,

Aware of the significance of the development of mutual cooperation with a view to suppressing illicit trafficking in narcotics and their precursors through interaction, coordinated and concerted action and implementation of special programmes in that sphere in accordance with the legislation of their States,

Have agreed as follows:

Article 1

1. The Parties shall harmonize their policies and implement coordinated programmes to combat illicit trafficking in narcotics and their precursors and abuse of narcotics in accordance with their national legislation and the provisions of this Agreement.
2. In furtherance of the objectives of this Agreement, subject to their national legislation, the Parties shall:
 - a) exchange literature on their existing laws, rules, procedures, best practices and methods of curbing illicit trafficking in narcotics and their precursors and any further amendments to the existing legislation;
 - b) cooperate in the fight against illicit trafficking in narcotics and their precursors, laundering of proceeds derived from this kind of criminal activity including tracing, identifying, freezing, seizing and forfeiting of assets and property obtained from illicit trafficking in narcotics and their precursors or used in the process of such trafficking;
 - c) render mutual assistance, subject to their national legislation,

in complying with the administrative and control procedures laid down by the International Narcotics Control Board (INCB) governing activities related to the legitimate international trade in narcotics and their precursors in order to prevent their diversion for illicit trafficking;

- d) exchange information and collaborate to reduce the demand for narcotics through prevention, awareness-raising activities and programmes as well as treatment and rehabilitation activities;
- e) share experience in training of personnel engaged in drug law enforcement and drug demand reduction with a view to suppressing illicit trafficking in narcotics and their precursors.

Article 2

1. In accordance with their national legislation, the Parties shall cooperate to combat illicit trafficking in narcotics and their precursors and abuse of narcotics, *inter alia*, by:
 - a) assisting each other in the appropriate use of Controlled Delivery, with a view to identifying persons involved in the illicit trafficking in narcotics and the diversion of their precursors into the illicit trade;
 - b) ensuring the exchange of information of operational, technical and general nature between the competent authorities of the Parties specified in Article 3 of this Agreement;
 - c) assisting each other, as mutually agreed, in operational, investigative and other matters connected with illicit trafficking in narcotics and their precursors;
 - d) promptly exchanging information about data on persons involved in illicit trafficking in narcotics and their precursors in accordance with Appendix I to this Agreement and providing further information on investigation, prosecutions and related matters in conformity with Appendix II to this Agreement.
2. This Agreement shall not preclude the competent authorities of the Parties from identifying and developing other mutually acceptable avenues and forms of cooperation.

3. This Agreement shall not cover the issues of extradition and mutual legal assistance in criminal matters.

Article 3

1. The central authorities of the Parties, responsible for the coordination of cooperation under this Agreement, shall be:

For the Indian Party – Department of Revenue, Ministry of Finance of the Republic of India;

For the Russian Party – Ministry of Foreign Affairs of the Russian Federation.

2. Cooperation envisaged by this Agreement shall be implemented through competent authorities of the Parties. The competent authorities of the Parties shall be:

For the Indian Party:

Narcotics Control Bureau;

Department of Revenue, Ministry of Finance of the Republic of India;

Central Bureau of Narcotics;

Ministry of External Affairs of the Republic of India;

Ministry of Home Affairs of the Republic of India;

Central Board of Excise and Customs;

Ministry of Social Justice and Empowerment of the Republic of India.

For the Russian Party:

Federal Service of the Russian Federation for Narcotics Traffic Control;

Ministry of Foreign Affairs of the Russian Federation;

Ministry of the Interior of the Russian Federation;

Ministry of Health and Social Development of the Russian Federation;

Federal Security Service of the Russian Federation;

Federal Financial Monitoring Service;

Federal Customs Service.

3. The central authorities of the Parties, within 30 days from the date

of signing of this Agreement, shall notify each other the names and official titles of authorized divisions or persons of the competent authorities of the Parties as well as all possible means of communication between them.

4. The competent authorities of the Parties shall establish direct channels of communication to ensure effective interaction in implementing this Agreement. The Parties shall, at the earliest, inform each other through diplomatic channels about any changes in their competent authorities.

Article 4

1. Assistance within the framework of this agreement shall be provided at the initiative of one of the Parties or at the request of the competent authority of a Party.
2. The request for assistance shall be submitted in written form. In urgent cases the request may be submitted through technical means of communication or orally, but thereafter it shall be confirmed in writing within a period of three days.
3. The request shall include:
 - a) the name of the requested competent authority;
 - b) the name of the requesting competent authority;
 - c) information of those involved in the illicit trafficking in narcotics or diversion of their precursors, including their name, surname, father's name (and possible aliases), sex, date and place of birth, nationality, passport number, date and place of issue, occupation, address, extent of involvement, criminal record and other relevant materials, possible accomplices, date and place of arrest or detention, judicial or administrative measures taken;
 - d) assistance required as well as other data necessary for providing the assistance, including name of the competent seizing authority, date and place of the seizure, seized quantity, chemical analysis data, packing, labeling and trade marks, particulars of conveyance used and mode of concealment, route, place of the narcotics production and

processing, destination, equipment and accessories seized.

4. The request shall be signed by the head of the competent authority, or his/her deputy, or other authorized persons, and authenticated by the official stamp of the requesting authority.
5. Any information exchanged under this Agreement shall be in English, unless otherwise agreed between the Competent Authorities of the Parties.
6. The requested party shall take all necessary measures to ensure prompt and the fullest possible implementation of the request.

Article 5

1. The request within the framework of this Agreement may be denied fully or partially if the requested Party believes that it may damage its sovereignty, national security or that it contradicts the legislation or international obligations of its State.
2. The request may also be denied if the action underlying the request is not recognized as an offence by the legislation of the State of the requested Party.
3. If the request is denied, the requesting Party shall be informed thereof in written form as well as of the grounds for the denial.

Article 6

1. Each Party shall maintain the confidentiality of information and documents received from the other Party, if they are classified or if the providing Party considers their disclosure undesirable. The level of confidentiality of such information and documents shall be determined by the providing Party.
2. The information and documents received under this Agreement shall not be used for purposes other than those for which they were requested and provided, unless such information and documents are publicly available in the territory of the requested Party.
3. The information and documents, received by one of the Parties under this Agreement may be disclosed to a third party with the prior written consent of the competent authority that provided them.

Article 7

Any dispute between the Parties arising out of implementation or interpretation of this Agreement shall be resolved through consultations between the competent authorities of the Parties. Disputes not resolved between the competent authorities of the Parties shall be subject to further settlement between the Parties.

Article 8

This Agreement shall not affect the rights and obligations of each of the Parties under other international treaties to which its State is a Party.

Article 9

Each of the Parties shall bear the costs arising in the territory of its State and related to the implementation of this Agreement.

Article 10

From the date of entry into force of this Agreement, the Agreement on cooperation between the Government of the Republic of India and the Government of the Russian Federation on the matters relating to the competence of the Ministry of Finance of the Republic of India and the Ministry of Security of the Russian Federation in the sphere of combating illicit traffic in narcotic drugs and psychotropic substances of 28 January 1993 shall be terminated.

Article 11

1. This Agreement shall enter into force on the date of receipt of the last written notification on completion by the Parties of their domestic procedures which are necessary for its entry into force.

2. This Agreement shall be concluded for a period of five years. Thereafter, it shall be automatically extended each time for further five-year periods. Either Party may terminate this Agreement by notifying the other Party in writing at least six months prior to the expiry of the relevant five-year period about termination of this Agreement. This Agreement shall terminate upon the expiry of six months from the date of receipt of this notification by the other Party.

Appendices I and II to this Agreement shall constitute its integral part.

Article 12

This Agreement may be amended and supplemented by mutual consent of the Parties.

In witness whereof, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

Done at Moscow on the twelfth day of November, 2007 in two copies each in the Hindi, Russian and English languages, all texts being equally authentic. However, in case of any divergent interpretation of this Agreement the English text shall be used.

For the Republic of India

For the Russian Federation



567. General Letter of Exchange on Utilization of Rupee debt funds for Russian investments in India.

Moscow, November 12, 2007

Excellency,

I have the honour to refer to the Agreement between the Government of the Republic of India and the Government of the Russian Federation in the form of the Letters of Exchange of January 28, 1993, and of September 6, 1993, as well as to the Agreement between the Government of the Republic of India and the Government of the Russian Federation on granting a credit to the Republic of India for financing long-term projects in the field of technical cooperation and for purchasing special equipment of September 17, 1992, and to confirm the consent of the Government of the Republic of India to the following.

- “ 1. The accumulated amounts of INR 46,460,308,050.53 and USD 33,479,918.88 at the central accounts of the State Corporation “Bank for Development and Foreign Economic Affairs of the USSR” (hereinafter referred to as Vnesheconombank) with the Reserve Bank of India (hereinafter referred to as RBI) may be utilized by the Government of the Russian Federation besides the purposes stipulated in the above agreements for any investment projects on the territory of the Republic of India that will be subject to the following:

- Shall be used for productive purposes and not for making profit out of transactions on capital markets;
 - Any investment from these funds will be subject to a “lock-in” period of 5 years, during which this equity cannot be sold or transferred to a third party without a permission of the Republic of India;
 - Shall be treated by both Parties as investments made by the Russian Federation or any company incorporated in the Russian Federation;
 - Shall be governed by the laws, rules, and other regulations (including applicable regulations for Foreign Direct Investments) prevalent in the Republic of India as well as by the provisions of the Agreement between the Government of the Russian Federation and the Government of the Republic of India on promotion and mutual protection of investments of December 23, 1994.
2. The enhanced level of trade between the Republic of India and the Russian Federation is expected to absorb the annual repayments by the Republic of India to the Russian Federation in cover of the state credits granted by the USSR and the Russian Federation effected after 15 April 2007.
 3. The Government of the Republic of India and the Government of the Russian Federation may revisit this agreement to reassess how the use of the amounts in Indian rupees and US dollars has worked in practice both in case of investments and purchase of goods and services. In the future, either as a result of such reassessment or otherwise, the Government of the Republic of India and the Government of the Russian Federation may decide whether the amounts accumulated and yet to be paid after 15 April 2007 may be used for investment purposes or repaid in hard currency.
 4. RBI and Vnesheconombank will mutually agree on a banking arrangement implementing the provisions of the present Agreement”.

I have the honour to confirm that the above correctly sets out the understanding reached between the two Governments. Your letter and this reply thereto shall constitute an Agreement between the Government of the Re-

public of India and the Government of the Russian Federation on this matter and shall come into force from the date of signing of the Letter of Response.

Excellency, please accept assurances of my highest consideration.

(Dr. D.Subbarao)

**Finance Secretary
Government of the Republic of India**

**Ministry of Finance
Government of the Russian Federation**



SERBIA

568. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Serbia, 16-17 September 2007.

New Delhi, September 17, 2007.

During his visit to Serbia from 16-17 September, MOS Shri Anand Sharma met with Serbian Prime Minister Vojislav Kostunica, Foreign Minister Vuk Jeremic, Parliament Speaker O. Dulic and other senior dignitaries.

Both sides reiterated the traditional goodwill in their bilateral relationships. The Serbian side stressed the importance of India in their foreign policy priorities. The Serbian side expressed the hope that trade and investment with India, which is currently at a low level, can be taken to a qualitatively new level through reinvigorating the relationship. The Serbian side expressed concern over developments in regard to Kosovo, negotiations for which are to be held in London tomorrow.

Agreements on visa exemption for Diplomatic and Official passport and MOU for cooperation between the Foreign Service Institute of India and its counterpart in Serbia were signed. An invitation has been extended by Shri Sharma to the Serbian Prime Minister Kostunica to visit India to attend the Conference on Federalism in November 2007.



569. Agreement between the Government of the Republic of India and the Government of the Republic of Serbia on Visa Exemption for Holders of Diplomatic and Official Passports.

Belgrade, September 17, 2007.

The Government of the Republic of India and the Government of the Republic of Serbia,

Hereinafter referred to as the Contracting Parties,

Wishing to promote their bilateral relations and with a view to facilitating the travel of citizens of the two Contracting Parties,

Have agreed as follows.

ARTICLE 1

Citizens of one Contracting Party, who are holders of valid diplomatic or official passports shall be exempted from a visa requirement for entry into, exist from and transit through the territory of the State of the other Contracting Party and shall be allowed to stay there for a maximum period of ninety (90) days,

ARTICLE 2

1. Members of diplomatic missions and consular posts accredited to the other Contracting Party and their dependents forming part of their household, who are holders of diplomatic or official passports, shall be granted, on request from the diplomatic mission/consular post concerned, within ninety days of the arrival of the diplomatic or official passport holder a residence visa for a period of his/her official stay.
2. A citizen of one Contracting Party being the representative of his/her country in an international organization located in the territory of other Contracting Party holding the said passport shall also enjoy the rights mentioned in paragraph 1 of this Article.

ARTICLE 3

Under this Agreement, a citizen of either Contracting Party shall be obliged to observe the laws and regulations in force in the territory the State of the other Contracting Party.

ARTICLE 4

This Agreement shall not restrict the right of the competent authorities of the Contracting Parties to refuse the entry or leave to stay to the holders of diplomatic or official passports of the other contracting Party referred to in Articles 1 and 2 of this Agreement, provided that these persons are considered as *personae non gratae*, without providing reasons for their decision.

If a citizen of one Contracting Party loses his/her passport in the territory of the other Contracting Party, he/she shall inform the Authorities concerned of the host country for appropriate action. The diplomatic Mission or Consulate concerned will issue a new passport or travel document to its citizen and inform the concerned authorities of the host Government.

ARTICLE 5

1. The Contracting Parties shall exchange, through diplomatic channels, specimens of their valid diplomatic and official passports subject to the provisions of this Agreement not later than thirty (30) days before entry into force of this Agreement.
2. If new diplomatic, official or special passports are introduced, or the existing ones are changed, the Contracting Parties shall exchange their specimens through diplomatic channels not later than thirty (30) days before they have been formally introduced.

ARTICLE 6

Any difference or dispute arising out of the implementation of the provisions of the Agreement shall be settled amicably by mutual consultation or negotiation between the Contracting Parties without reference to any third party or an international tribunal.

ARTICLE 7

This Agreement shall enter into force thirty (30) days from the date of the receipt of the last notification in which the Contracting Parties have informed each other through diplomatic channels that conditions prescribed by their national laws for entry into force of this Agreement have been fulfilled.

ARTICLE 8

Each Contracting Party reserves the right for reasons of security, public

order or public health to suspend temporarily, either in whole or in part, the implementation of this Agreement, which shall take effect immediately after notification has been given to the other Contracting Party through diplomatic channel.

ARTICLE 9

Either Contracting Party may request in writing, through diplomatic channels, a revision or amendment of the whole or part of the Agreement. Any revision or amendment, which has been agreed to by the Contracting Parties, shall come into effect as stipulated in the Article 7 of the Agreement and shall accordingly form a part of this Agreement,

ARTICLE 10

This Agreement shall remain in force for indefinite period of time. Each Contracting Party may terminate it any time by informing the other Contracting Party thereof through diplomatic channels, and the Agreement shall cease to be in force thirty (30) days from the date of receipt of such notification.

Done in Belgrade on this 17th day of September 2007 in two original copies in Hindi, Serbian and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**For the Government of
The Republic of India**

**Minister of State for
External Affairs**

**For the Government of
the Republic of Serbia**

**State Secretary of
Foreign Affairs**



570. Memorandum of Understanding on Mutual Cooperation Between the Foreign Service Institute, Ministry of External Affairs, the Republic of India and the Diplomatic Academy, Ministry of Foreign Affairs, Republic of Serbia.

Belgrade, September 17, 2007.

The Foreign Service Institute, Ministry of External Affairs, Republic of India and the Diplomatic Academy, Ministry of Foreign Affairs, Republic of Serbia (hereinafter referred to as "the Parties") in the spirit of cooperation that has traditionally existed between the two countries and desiring to promote greater cooperation between the two institutions, have agreed as follows:

Article 1

The Parties shall cooperate in mutually agreed areas of activity, which inter alia, may include:

1. Exchange of information of structure and content of training programme for diplomats;
2. Identification of experts in mutually agreed areas;
3. Exchange of information on the use of IT in diplomacy;
4. Joint research in mutually agreed areas;
5. Mutual assistance in, designing IT-based course content for distance learning.

Article 2

The Parties shall exchange information and publications on training programmes, curricula of studies and other activities of common interest.

Article 3

The Parties shall promote the exchange of experts, scholars and diplomatic trainees.

Article 4

The Parties will encourage coordinated research on the subject of mutual interest.

Article 5

The Parties will decide the specifics and logistics of every project they undertake together. For this purpose, a protocol laying down the financial terms and conditions of the proposed exchanges will be concluded, if necessary.

Article 6

This Memorandum shall enter into force on the date of its signature and shall remain in force for a period of three years. Thereafter, it may automatically be renewed for a similar three-year periods at a time, unless terminated by either party by giving a written notice of 90 days to the other party prior to the date of termination of the Memorandum.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments, have signed this Memorandum and affixed their seals.

Done at Belgrade on this 17th day of September 2007 in two originals in Hindi, English and Serbian Languages, all three being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

**On behalf of the
Foreign Service Institute
Ministry of External Affairs
Republic of India**

**On behalf of the
Diplomatic Academy
Ministry of Foreign Affairs
Republic of Serbia**

Name: H.E. Ajay Swarup

Name: H.E. Bozin Nikolic

**Designation: Ambassador,
Embassy of India, Belgrade
Academy**

**Designation: Ambassador,
Director of the Diplomatic
Academy**



SLOVAK REPUBLIC

571. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Slovakia, 22-24 March 2007.

New Delhi, March 25, 2007.

Shri Anand Sharma, Minister of State for External Affairs paid an official visit to the Slovak Republic from 22nd to 24th March 2007. The last time such a visit took place from India to the Slovak Republic was in 1993 when the then Minister of State for External Affairs, Shri R.L.Bhatia had visited on the occasion of the inauguration of the Slovak Republic. During the visit, Shri Sharma met Mr. Jan Kubis, the Slovak Minister for Foreign Affairs, Mr. Lubomir Jahnatek, Minister of Economy, Mr. Frantisek Kasicky, Minister of Defence and Mrs Diana Strofova, State Secretary of Foreign Affairs. During these discussions, Slovakia reiterated its support for the Indian candidature for the permanent membership of the UNSC. It was agreed to strengthen bilateral relations in trade and investment, defence, culture and other areas. Recognising the excellent relations that exist between the two countries in the area of defence, it was agreed to set up a joint working group for cooperation in this field. They also discussed cooperation in the energy sector, including nuclear energy, the ongoing discussion on the conclusion of a broad based agreement on trade and investment between India and the European Union.

The leaders also exchanged views on international issues such as restructuring of the UN, International Terrorism, Afghanistan, Iraq, Western Balkans etc. They acknowledged that they shared similar perceptions on these issues.



SWEDEN

572. Media Briefing by Official Spokesperson on visit of the Foreign Minister of Sweden.

New Delhi, May 4, 2007.

Official Spokesperson: Good afternoon everybody. I wanted to brief you about the discussions that External Affairs Minister had with the Swedish Foreign Minister Mr. Carl Bildt. The discussions went on for more than an hour and were followed by a lunch that External Affairs Minister hosted in honour of the visiting dignitary. I will give you a flavour of the discussions that took place.

The External Affairs Minister appreciated the Swedish government's desire to enhance engagement with India across the board and to deepen and diversify the already good bilateral relationship, particularly in the area of trade and economic development. This was given an impetus when the Prime Minister of Sweden had visited India in May 2004. Particular focus is on IT, bio-technology, telecom, environment technologies, renewable energy, investment in infrastructure and so on. There is also a strategic element to the relationship, the first Strategic Dialogue was held between NSA and the Swedish State Secretary in the Prime Minister's office in January 2006. There was a discussion on the economic relationship - bilateral trade has grown by about 42% in the last year and reached the \$2 billion mark. It is predominantly in favour of Sweden due to heavy engineering exports related to the telecom sector. Sweden is 12th in the list of investors in India. In this context, we had mentioned that it would be very useful, if we had a freer travel regime particularly for Indian businessmen and also for tourism as well for professionals, students and so on because this would increase the interest in the two countries and also facilitate business related activities. On the regional aspects, EAM briefed the Swedish Foreign Minister on our own neighbourhood, that is the Composite Dialogue process with Pakistan, the situation in Nepal, situation in Bangladesh and Sri Lanka as well as Afghanistan. He also briefed the Swedish Foreign Minister on the recently held SAARC Summit and the fact that Afghanistan has been included and five Observers had attended the Summit and themes of the Summit and so on. On his part, the Swedish Foreign Minister briefed EAM on developments in the European Union and issues that were facing them there. He also shared EAM's concern on terrorism as an international issue on which

countries need to focus.

The other global issues that they discussed at considerable length was energy and climate change. In this context, EAM also mentioned how climate change had also figured in SAARC, given the fact that melting of glaciers can be cause of common concern for South Asian countries. Similarly, the Swedish Foreign Minister also briefed EAM on how European Union is implementing decisions on climate change within themselves. On international issues - both sides shared their views and desire to work in international fora in a way that strengthens multi-polarity. Two issues that I am sure are of interest to you were discussed - one was reforms in the United Nations and in particular, reforms in the Security Council and India's candidature for permanent seat in the Security Council. In this context, Swedish Foreign Minister said that they favour reforms of the UN as they do realize that the world of today is very different from the world of 1945. He said that he hopes there will be an opportunity for restructuring the Security Council and as and when this happens no other country will have as strong a claim as India does. Besides, the permanent candidature, both India and Sweden are up for elections in different years for non-permanent seats of the Security Council. So that matter was also discussed.

As part of the discussion on energy, EAM briefed Swedish Minister on India's desire to increase and diversify its sources of energy so that we can continue to grow at 9-10% in the future and in this discussion, a desire to move towards clean energy. Naturally, the India-US negotiations on the civil nuclear energy cooperation agreement came up for discussion. And in this context also since you all know that Sweden is a member of the Nuclear Suppliers Group, Sweden said that they are watching the negotiations between India and the United States and would naturally be taking their decisions after that. They understand and they appreciate India's concerns and needs for energy and he assured the External Affairs Minister of a positive approach. Besides that there was a general discussion on other issues - on Sweden's relations with its neighbours and forthcoming G-8 and Outreach members' meeting in June and other meetings coming up at the end of this month. So that should give a fair idea of the discussions.

* * * *

Thank you.



SWITZERLAND

573. Press Release of the Ministry of External Affairs on the visit of Swiss President Ms. Micheline Calmy-Rey.

New Delhi, November 5, 2007.

1. The President of the Swiss Confederation, H.E. Ms. Micheline Calmy-Rey is visiting India from 5-8 November 2007.)

* * * *

3. The visit of the Swiss President to India follows on the visit of President Dr. A.P.J. Abdul Kalam to Switzerland in May 2005. The visit is also a part of the high-level dialogue between India and Switzerland in the last few years. Ms. Calmy-Rey will be the third Swiss President to visit India, the others being Mr. Flavio Cotti in 1998 and Mr. Pascal Couchepin in 2003. From the Indian side, Shri V.V. Giri had visited Switzerland in 1970. President Dr. A.P.J. Abdul Kalam's visit in May 2005 followed after a long gap of 25 years.
4. Since the establishment of diplomatic relations in 1948, India and Switzerland have enjoyed a warm and friendly relationship. A number of Swiss companies such as ABB, Nestle, CIBA-Geigy and Sandoz established an early presence in the country.
5. Bilateral trade has been growing steadily, topping USD 2.25 billion in 2006 (excluding bullion --- 2.48 billion in 2004; and software services---100 million in 2004). There is still, however, further potential to grow. Over the ten-year period between 1995 and 2005, the two-way bilateral commodity trade has nearly doubled. During the first six months of 2007, India's exports to Switzerland grew by 28.5%, while Swiss exports to India grew by 32.5% over the same period in 2006. The total bilateral trade in the first six months of 2007, grew by 31.3% to CHF 1625.5 million. If this trend continues, the bilateral trade could cross USD 3 billion by the end of 2007, which would represent an increase of nearly a billion dollars in just one year.
6. India and Switzerland have established competencies in science and technology¹. We are happy that there has been an acceleration of

1. During the course of the visit of the Swiss President it was decided that India will send a nuclear expert to Switzerland to explain the India-U.S. civil nuclear agreement as well as

bilateral cooperation in the leading-edge areas of nano science and technology, bio-info-nano technology, research and development of solar cells, brain and stem cell research and other related areas. Cooperation between Swiss and Indian institutes of technology and science are ongoing and both sides are exploring ways to take this further.

7. President Micheline Calmy-Rey will visit Hyderabad and Agra. The bilateral visit takes place as the two countries would be observing 2008 as the 60th anniversary of the signing of the Treaty of Friendship (14 August 1948). The bilateral visit would serve to highlight the progress in partnership the two countries have made over the past six decades and highlight the opportunities for the future.



other aspects of its discussions with the International Atomic Energy Agency (IAEA) and the Nuclear Suppliers' Group (NSG). Switzerland is a member of both organisations and their approval is necessary for India to break out of the isolation from global commerce in civil nuclear energy. "I requested the Prime Minister to have an Indian expert to explain the Indo-U.S. nuclear deal," Switzerland President Micheline Calmy-Rey told newsmen after her official round of interaction with President Pratibha Patil, Prime Minister Manmohan Singh and External Affairs Minister Pranab Mukherjee. Switzerland is a major votary of non-proliferation and has opposed conflicts or attempts at armed intervention outside the United Nations mandate. In fact, in 2003 it stopped all military flights over its airspace after the U.S.-led coalition invaded Iraq without the U.N. Security Council mandate. Dr. Singh and Ms. Calmey-Rey also discussed the feasibility of an economic agreement similar to a free trade agreement covering goods, services, investments, intellectual property and trade facilitation. India is the fourth-largest trading partner for Switzerland in Asia and Switzerland is among the 10 major foreign investors in India with over 140 joint ventures. Both countries also have a scientific and technical cooperation agreement as well as joint research programmes in life sciences, IT and biotechnology. Switzerland has had a programme on cooperation and development with India since 1961. This programme is being restructured to orient it towards cooperation primarily in the fields of energy and climate, science and technology by 2010. "We are happy that there has been an acceleration of bilateral cooperation in the leading-edge areas of nano science and technology, bio-info-nano technology, research and development of solar cells, brain and stem cell research and other related areas. Cooperation between Swiss and Indian institutes of technology and science are ongoing and both sides are exploring ways to take this further," said a foreign office news release.

574. Speech of President Smt. Pratibha Devisingh Patil at a Banquet in honour of the Swiss President Mrs. Micheline Calmy-Rey.

New Delhi, November 7, 2007.

Your Excellency President Micheline Calmy-Rey,

Distinguished Guests,

Ladies and Gentlemen,

I am delighted to welcome you, President Micheline Calmy-Rey and the members of your delegation to India.

Switzerland and India have a long tradition of cordial and friendly relations. India signed a Treaty of Friendship with your country on 14th August 1948. Despite tumultuous changes the world over, our relations have stood the test of time. Your visit assumes special significance as our two countries begin to commemorate the 60th anniversary of our Friendship Treaty. It also assumes special significance as we decide to reinforce our friendship and work towards establishing a Privileged Relationship between our two democracies.

We were honoured by your participation in the just concluded 4th International Conference on Federalism. These Conferences, the 2nd Conference of which was hosted by Switzerland, are unique. They are a step towards establishing a 'community of practices' where people come together to engage in a process of collective learning about federalism. India and Switzerland are good examples of successful federalism where every individual or group enjoys more than one identity and these identities merge into loyalty to the State. Our two countries have succeeded in upholding the principle of "respect for differences" and "unity in diversity" as we call it.

I am pleased to note that under your leadership Swiss foreign policy has been marked by a strong commitment to promoting peace, respect for international law, the fight against poverty and the empowerment of women. The principle of gender equality is enshrined in the Indian Constitution. It not only grants equality to women, but also empowers the State to adopt measures of positive discrimination in favour of women. My Government is committed to the implementation of this directive.

Excellency, today we live in an increasingly interdependent world. It is important for our two countries to recognize the need to dovetail the

complementarities between a technologically advanced, mature industrial economy such as Switzerland and a large, rapidly growing economy like India. We need to forge closer business partnerships in priority sectors such as engineering, precision manufacturing, high technology, food processing, infrastructure, environment, IT and bio-technology. India with its large pool of skilled manpower could help the Swiss industrial, financial and banking sectors to remain globally competitive.

Switzerland is famous for its dynamic small and medium enterprises and India recognizes the role that such enterprises can play in further promoting bilateral trade, investment and technological links. The agro-based and food-processing industry in India needs an infusion of technology and capacity building. We wish to encourage this interaction.

We also wish to strengthen our ongoing useful collaboration in the S&T sector, especially in "bio-info-nano technologies". This could start with lab-to-lab or university-to-university linkages.

To an Indian, Switzerland is synonymous with snow capped mountains and picturesque locales that form the backdrop of many of our blockbuster films. This has naturally made Switzerland one of the most favoured holiday destinations for Indians. We in turn would also like to encourage Swiss tourists to visit India and make it one of their favourite holiday destinations. We look to benefit from Switzerland's experience in developing our tourist infrastructure, adventure tourism and eco-friendly sustainable tourism in the mountainous regions.

Excellency, India and Switzerland are committed to promoting multilateralism and to further strengthening the United Nations. We share the view that international relations must be democratized and the process of United Nations reform, in particular reform of the UN Security Council, expedited to make the Council more representative of contemporary reality. We are determined to eliminate the scourge of international terrorism against which we have zero tolerance. We also look forward to working with Switzerland on other critical issues such as Climate Change which require a global response within the framework of the United Nations, based on the principle of common but differentiated responsibility and respective capabilities. India is not a major polluting nation and we are committed to ensure that our per capita emissions of Green House Gases remain below those of the developed world.

Excellency, we are convinced that your visit will provide further impetus to

bilateral relations between our two countries and pave the way for the Privileged Relationship that we are working towards.

May I now request you all to join me in a toast:-

- U to the health and prosperity of the President of the Swiss Confederation, Her Excellency Mrs. Micheline Calmy-Rey,
- U to the further strengthening of relations between India and Switzerland, and;
- U to the progress and prosperity of the friendly and peace-loving people of Switzerland.



UNITED KINGDOM

575. Press Release issued by the High Commission of India in London on the visit of Minister of State Anand Sharma to UK.

London, September 21, 2007.

Hon'ble Minister of State for External Affairs, Mr. Anand Sharma, MOS(AS) who is on an official visit to the U.K. from 20th – 23rd September 2007, met Rt. Hon'ble Ed Miliband MP, Minister for the Cabinet Office, in London on 21st September 2007. The meeting lasted for 45 minutes. Both sides exchanged views on the excellent status of bilateral relations between India and the U.K., and issues flowing from the International Conference on Peace, Non-Violence and Empowerment: Gandhi and Philosophy in the 21st century, which Mr. Miliband had attended as an official representative of Her Majesty's Government of the United Kingdom.

The Hon'ble Minister had an hour long meeting on 21st September 2007 with Lord Digby Jones, Minister for Trade and Investment in the Foreign and Commonwealth Office. Both the ministers reviewed the current status of Indo-U.K. economic and commercial relations and explored the possibility of increasing opportunities in investment and trade. The concerns expressed by NASSCOM on revisions to U.K work permits regulations were conveyed to Lord Jones, who offered to coordinate an appropriate response by the U.K. Government to meet NASSCOM's concerns. Both the leaders discussed the forthcoming visit of a major U.K. trade delegation led by Lord Jones to India from 24-28 September 2007.

MOS(AS) addressed a gathering of distinguished politicians, diplomats, political scientists, scholars and academicians at Chatham House, The Royal Institute of International Affairs, the U.K's leading Foreign Policy Think Tank, on the topic of "Emerging India and its engagement with the 21st Century World." This was followed by a question-answer session on various issues on India's domestic and foreign policy.

MOS(AS) will be a Keynote Speaker at the Fifth Annual Eurasia Conference being held in the prestigious institution, Judge Business School, University of Cambridge on Saturday, 22nd September 2007. The theme of the meeting is "India in the 21st century and its engagement in the

Caspian and wider Central Eurasian Region.” More than 70-80 eminent personalities from politics, business and academia are expected to attend.



576. Press Release issued by the High Commission of India in London on the visit of External Affairs Minister Pranab Mukherjee to London.

London, October 4, 2007.

1. Shri Pranab Mukherjee, Hon'ble Minister for External Affairs, Government of India was on a one day visit to London on October 03, 2007.
2. The Mayor of London, Mr. Ken Livingstone, called on Mr. Mukherjee at 1415 hours and briefed him on the involvement of the city of London in celebrating 60th Anniversary of India's Independence and discussed his forthcoming visit to India in November 2008.
3. Mr. Mukherjee met Mr. David Miliband, Foreign Secretary at 1500 hours and discussed a wide range of bilateral, regional and international issues. The visit is part of the ongoing exercise of regular dialogue at the highest level between the two countries.



577. Press Release of the High Commission of India in the United Kingdom on the visit of Minister of State Anand Sharma to London.

London, November 15, 2007.

Hon'ble Mr. Anand Sharma, Minister of State for External Affairs, paid an official visit to the United Kingdom from 12-14 November, 2007 as a part of the ongoing high-level dialogue with the UK. During his visit Hon'ble Minister visited House of Lords and interacted with Parliamentarians. On 13th November, he met Rt. Hon'ble Lord Mark Malloch-Brown, Minister of State for Africa, Asia and UN to exchange views on bilateral and regional issues. On 14th November, he delivered a talk on "India & Africa -Partnership in the 21st Century" at the International Institute for Strategic Studies.



INDIA'S FOREIGN RELATIONS - 2007

SECTION-VIII

INDIA AND THE UNITED NATIONS

578. Press Statement on the meeting of High-Level officials of Brazil, Germany, India and Japan on United Nations Security Council Reform.

New Delhi, April 19, 2007.

High-Level Officials of the G-4 (Brazil, Germany, India and Japan) met in Brasilia on 19 April 2007 to assess recent developments regarding United Nations Security Council reform. They reaffirmed the need for an urgent reform of the Security Council. In that context, they reiterated the G-4 proposal that includes new seats in both categories, permanent and non-permanent, and encompass developed as well as developing states. They expressed the readiness of the G-4 to engage in negotiations with all those genuinely interested in a meaningful Security Council reform. They stressed the urgency to achieve results and stated their willingness to participate in negotiations with flexibility, with a view to reaching a decision on this long-standing issue at the earliest. The high-level officials of the G-4 decided to convey the conclusions of the Brasilia meeting to the President of the General Assembly.



579A. Report on the remarks of Minister of State Anand Sharma on the UN Security Council Reforms.

New York, June 16, 2007.

Questioning the credibility of the 15-member UN Security Council as Africa, Latin America and India do not find representation in it, New Delhi said that the expansion of the body must be an integral part of wide-ranging reforms of the United Nations.

This will ensure that the organisation and its major bodies reflect the current realities and not those existing at the end of the Second World War, Minister of State for External Affairs Anand Sharma has said.

Talking to reporters in New York, he questioned the legitimacy of the 15-member Security Council in which Africa and Latin America and biggest democracy of the world "India" are not represented. What credibility such a body can enjoy? he asked.

India, along with Japan, Germany and Brazil, was working to correct this imbalance and make the most powerful forum of the United Nations— which

takes decisions on security questions and issues mandates applicable to all Member States— transparent and representative of all membership by ensuring that views of all regions and groupings are heard when major actions are contemplated.

India, Japan, Germany and Brazil, who are strong contenders for permanent seats on an expanded Council, have been working to change the make up of the Council so that its decisions enjoy greater legitimacy.

The expansion of the Security Council should be seen in the context of overall reforms of the United Nations which would make it more effective and efficient and give strong legitimacy to its decisions at a time when the organization is being asked to play increasing role in conflict prevention and resolution, he stressed.

Sharma, who was talking to reporters shortly after the General Assembly declared October two as International Day of Non-Violence in recognition of relevance of Mahatma Gandhi's philosophy of peace and brotherhood in the present-day, spoke of the great relevance of his message in the current ridden world.

That the Mahatma's message enjoys worldwide support is clear from the fact that the resolution, initiated by India, was adopted unanimously, he said.

Mahatma Gandhi's message, he said, was universal as it emphasised not only non-violence but also the need to create condition in which every human being could live in dignity. His philosophy envisages a world without suffering, without conflict and without hunger. In short, the message encompassed equity, dignity and freedom for all, he stressed.



579B. Resolution adopted by the General Assembly: A/RES/61/271 of 27 June 2007 to observe the International Day of Non-violence.

New York, June 27, 2007.

The General Assembly,

Reaffirming *the Charter of the United Nations, including the principles and purposes contained therein,*

Recalling *its resolutions 53/243 A and B of 13 September 1999, containing the Declaration on a Culture of Peace and the Programme of Action on a Culture of Peace, 55/282 of 7 September 2001 on the International Day of Peace and 61/45 of 4 December 2006 on the International Decade for a Culture of Peace and Non-Violence for the Children of the World, 2001–2010, as well as other relevant resolutions,*

Bearing *in mind that non-violence, tolerance, full respect for all human rights and fundamental freedoms for all, democracy, development, mutual understanding and respect for diversity are interlinked and mutually reinforcing,*

Reaffirming *the universal relevance of the principle of non-violence, and desiring to secure a culture of peace, tolerance, understanding and non-violence*

1. *Decides, with effect from the sixty-second session of the General Assembly and guided by the Charter of the United Nations, to observe the International Day of Non-Violence on 2 October each year, with the International Day being brought to the attention of all people for its celebration and observance on this date;*
2. *Invites all Member States, organizations of the United Nations system, regional and non-governmental organizations and individuals to commemorate the International Day of Non-Violence in an appropriate manner and to disseminate the message of non-violence, including through education and public awareness;*
3. *Requests the Secretary-General to recommend ways and means by which the United Nations system and the United Nations Secretariat could, within existing resources, assist Member States,*

upon request, in organizing activities to commemorate the International Day of Non-Violence;

4. *Also requests the Secretary-General to take necessary measures, within existing resources, for the observance by the United Nations of the International Day of Non-Violence;*
5. *Further requests the Secretary-General to keep the General Assembly informed at its sixty-third session of the implementation of the present resolution, within the United Nations system, as regards the observance of the International Day of Non-Violence.*



580. Press Release of the Ministry of External Affairs on the election of Dr. Arjun Sengupta as Chairman of the Inter-Governmental Working Groups of the Human Rights Council on the Right to Development.

New Delhi, September 18, 2007.

Dr. Arjun Sengupta, Member of Parliament (Rajya Sabha), has been elected as the new Chairperson of the Inter-Governmental Working Group of the Human Rights Council on the Right to Development. The Working Group on the Right to Development is one of the Inter-Governmental Working Groups on Human Rights and was established in 1998. Dr. Sengupta has been associated with the issues relating to Right to Development for a long time and has been serving as the Indian expert on Human Rights and Extreme Poverty. He is well-known internationally in the field of human rights and obtained strong endorsement for his election to the Working Group from all countries in the world. The Working Group on the Right to Development holds particular importance to India as this is the only Inter-Governmental mechanism in the Human Rights machinery that focuses on the issue of Development.



581. Statement by External Affairs Minister Pranab Mukherjee at the General Debate of the 62nd UN General Assembly.

New York, October 1, 2007.

Your Excellency,

Mr. President, Excellencies,

Ladies and Gentlemen,

Kindly accept my congratulations on your election to the Presidency of the 62nd session of the UN General Assembly. My delegation assures you of its full co-operation as we address issues identified in the Annual Report of the Secretary-General and responsibly and creatively move forward with pending reforms to this Organization.

Mr. President,

At the outset I would like to express India's deep gratitude to all Member States for the unanimous adoption recently by the UN General Assembly of the resolution to annually observe the International Day of Non-Violence on October 2, the birth anniversary of Mahatma Gandhi. I also look forward to participation by Member States in the informal UNGA Plenary and other functions being organized tomorrow at the United Nations to mark the first International Day of Non-Violence.

Mr. President,

The topic for this year's debate - Responding to Climate Change - is both timely and relevant. India's views on it have recently been set forth at the high-level event on Climate Change here last week. Combined with the exchange of views in the General Debate, it will no doubt provide a useful backdrop to the meeting of the UN Framework Convention on Climate Change to be held later this year in Bali, Indonesia. The impact of climate change and environmental degradation falls disproportionately upon developing countries. Developing countries, are the most vulnerable to it, and also lack the means to tackle it.

Measures to address climate change must be based on mitigation and adaptation strategies with fair burden sharing and measures to realize sustainable patterns of consumption and production. The process of burden sharing must also take into account where the primary responsibility for the present state of GHG concentration in the atmosphere rests and not foreclose rapid and sustained economic development for the developing world, which, in any case, is an imperative for adaptation.

Technology is the other key area that needs to be addressed. It is important that critical clean technologies are made available and affordable for developing countries. The IPR regime must balance rewards for innovators with the common good of humankind. Concerted international action to address climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities, as also national circumstances and social and economic conditions, is the need of the hour. India, for whom energy security is a national imperative, has a very small individual carbon footprint with per capita CO₂ emissions just about a quarter of the world's average. Even then, we are determined that even as we pursue economic growth, our per capita GHG emissions will not increase beyond those of the industrial countries.

Mr. President,

Poverty and underdevelopment are amongst the central challenges of our times. The overarching requirement is for sustained economic growth to eradicate poverty in developing countries. However, economic growth must also be measured against the template of social inclusion. Growth alone is not enough if it does not produce benefits that are sufficiently dispersed, not only in terms of increased income and employment but also for improved health, nutrition, and education for all.

I affirm India's resolve to achieve the internationally agreed development goals, including the Millennium Development Goals. The Government of India accords the highest priority to inclusive growth, including the political, legal, educational and economic empowerment of women, effective and affordable public health and enhanced access to educational opportunities, especially for all those who are disadvantaged.

It is apparent that progress in the achievement of the internationally agreed development goals has been tardy. The international community, through the UN system, must more effectively support the efforts of developing countries to achieve the development goals. A comprehensive reform of the international financial architecture is a key ingredient in this process. The United Nations must play an important role in overseeing the reform of the international financial architecture. This should include measures to ensure a greater voice for and participation by developing countries in the Bretton Woods Institutions. The process of reform must be carried to its logical conclusion if the credibility of these institutions is to be enhanced.

We must also address as a priority the regrettable inversion of global resource flows. Today, instead of the urgently needed inflow of resources to developing countries to buttress their national economic development plans, we are confronted with a net outflow from them. Official Development Assistance showed a marked fall during 2006, and remains well below the target of 0.7% of GNP. It is primarily being used to finance debt relief. That this is happening after so many years of liberalization and globalization highlights our collective failure. Perhaps we should be considering mechanisms such as an international debt commission to redress the problem of developing country debt. The LDCs, who are particularly hard hit by rising energy costs, find themselves in an even more difficult situation. Enhanced and predictable resource flow to developing countries remains a key objective of the global partnership for development. India will continue

to do what she can to help with capacity building in other developing countries, and to assist them through ODA within the limits of our capacity. By the end of the year, LDC imports into India will face a zero tariff regime.

Early and substantive progress at the Doha round of trade negotiations, based on the primacy of the development dimension, is another imperative. We must return to the negotiating table with a redoubled sense of urgency, while recognizing that adherence to the existing mandate remains critical. Nor can the interests of subsistence farmers be ignored or equated with those of other sectors. An illogical linkage between agriculture and NAMA will only complicate the developmental impact of the round. The overarching principle of special and differential treatment for developing countries remains a categorical imperative.

Mr. President,

As part of India's commitment to the achievement of human rights for all, and as a member of the Human Rights Council, we remain actively involved in developing the institutional framework of this body, including the Universal Periodic Review Mechanism, based on effective international cooperation as a central principle in the Council's method of work. India will work towards developing an international normative framework for promotion and protection of human rights. India is honored to be one of the first signatories of the International Convention for the Protection of all Persons from Enforced Disappearance. Earlier today, I also had the honour of depositing India's instrument of ratification of the UN Convention on the Rights of Persons with Disabilities.

As the largest democracy in the world, India has developed a system of local self-government with democratically-elected institutions of representative government at all levels, i.e., the village, the district, the state and at the national level. The effort to make participatory democracy more meaningful to every Indian citizen underpins what is perhaps one of the greatest social experiments in the world today, namely, the transfer of decision-making power to nearly one million elected women local government representatives. As a result, women are not merely the beneficiaries of change in India, but are its instruments.

As the world's largest democracy, it was also natural for India to support the establishment of the UN Democracy Fund. We had made an initial contribution of \$10 million to this Fund and remain actively and constructively involved in realizing the objectives for which it has been set up. As a small

token of our commitment to this laudable initiative, I have the privilege of announcing a further pledge of \$10 million to the UN Democracy Fund.

Mr. President,

The international system cannot be reordered meaningfully without comprehensively reforming the United Nations. If the Organization is to remain the cornerstone of the international architecture in this century, it cannot remain mired in the realities of the 1940s. Despite substantive implementation of the UN reform agenda that emerged from the Outcome Document of the World Summit in 2005, such reform will inevitably remain incomplete without comprehensive reform and expansion of the Security Council, and revitalization of the General Assembly. Elements and ideas on the reform of the Security Council have been discussed for well over a decade, through numerous reports and interminable consultations. It is now time for inter-governmental negotiations to commence in order to make the Security Council more democratic, representative and responsive. We, with partners from Africa, Latin America and Asia, tabled a resolution on September 11, 2007, spelling out the principles on which reform ought to be based if it has to be meaningful. These principles are: expansion in both permanent and non-permanent categories of membership; greater representation for developing countries, including representation for developed countries that is reflective of contemporary world realities; and comprehensive improvement in the working methods of the Security Council, including ensuring greater access to island and small states. We welcome recent statements from this podium by President Bush of the USA and other world leaders on the need for UNSC reform in both permanent and non-permanent categories. It is high time that we collectively brought these ideas to implementation.

Mr. President,

Reform of the United Nations would also be incomplete without revitalization of the General Assembly. The central goal of such revitalization must be the restoration and enhancement of the role and authority of the General Assembly, as originally envisaged in the Charter.

Given the significance of developmental activities for the developing world, India sees a corresponding need for the reform of UN's operational activities for development. Since these activities are aimed at supporting the work of Member States, it follows that Members must determine their direction and shape through an intergovernmental process. The litmus test for any reform

proposal is whether it improves the support extended by the UN to the efforts of programme countries. India would, therefore, judge reform proposals by their impact on the ground, the resultant improvement in the effectiveness of the system, and by the impact on transaction costs for the UN development system.

Mr. President,

Steps to achieve the complete elimination of nuclear weapons have also only made limited headway. Despite some progress, the world remains far from achieving the objective of total elimination of nuclear weapons. India's long-standing commitment to universal, non-discriminatory and comprehensive nuclear disarmament is embodied in the vision of late Prime Minister Rajiv Gandhi for a "nuclear-free and non-violent world". This vision was put forward nearly two decades ago.

It remains undiminished today. Indeed, it is all the more relevant today, given the fact that peaceful uses of nuclear energy can address the inexorably growing demand for new and non-polluting sources of energy to fuel economic development. We will be bringing proposals to member states and this organisation to see how we can refocus on general and complete disarmament, particularly nuclear disarmament. It is disarmament that is our agreed goal, and that subsumes arms control and non-proliferation.

It is well known that India has an impeccable record in preventing the proliferation of sensitive technologies. This is in keeping with our commitment to being a responsible nuclear power. India is ready to work with the international community to develop a new international consensus on non-proliferation. The international community needs to intensify the effort to address the very real threat posed by the link between proliferation of WMDs and related materials and technologies to non-state actors. The risk posed by the intersection between proliferation and terrorism is real and serious. The central objective must be to ensure that our solidarity in words is translated into action.

Mr. President,

The adoption of the United Nations Global Counter-Terrorism Strategy last September was a noteworthy development, signaling the will of the international community to combat this menace in a holistic and coordinated manner. Welcome as the strategy is, there is much more that needs to be

done to combat the menace that international terrorism has become. India is convinced that without the early adoption of the Comprehensive Convention against International Terrorism, the global struggle against terrorism remains incomplete and likely to succeed only partially. We must ensure that there is zero tolerance for all forms of terrorism.

Mr. President,

In conclusion, I would express the hope that our deliberations in the year ahead will lead us to enlightened action. With maturity and resolve we will successfully overcome the many challenges before us.

Thank you Mr. President.



582. Observance of the First International Non-Violence Day at the Special Plenary Session of the United Nations General Assembly: Speech of Ms. Sonia Gandhi.

New York, October 2, 2007.

Your Excellency President Srgjan Kerim,

Your Excellency Foreign Minister Dlamini Zuma,

Your Excellency Secretary General Ban Ki-moon,

Excellencies,

Ladies and Gentlemen,

It is an honor to address the United Nations General Assembly, as we observe on Mahatma Gandhi's birth anniversary, the "International Day of Non-violence" for the first time. This is a collective homage of the world community to one of the greatest men of all time, an homage that rises above politics and speaks to all humankind. May I convey to the General Assembly, the gratitude of over a billion people of my country for this tribute. I also extend our sincere appreciation, to all those member states who co-sponsored the resolution and extended their support to it. To South Africa in particular on whose very soil, Mahatma Gandhi, on the 11th of September 1906 started his political and spiritual journey, the "Satyagraha" or "Truth Force" movement.

War, conflict and bloodshed, have long been rooted in human history and the human psyche as the preordained and inevitable instruments of power. Violence has come to be regarded as the norm and, nonviolence as a mere aberration. It is striking, as one observer has pointed out, that there is no proactive word for nonviolence in almost any language. It has not been regarded as a concept in itself, but simply the negation of something else.

Other concepts have their own antonyms: war and peace, sin and virtue, hatred and love. Yet even though all the world's religions preach nonviolence, there is no affirmative, independent word for it. Thus, in our very thought processes, the concept of violence has been central, that of nonviolence marginal.

Not surprisingly, then, fallacies about non-violence abound. Some think that it is a sign of weakness or cowardice. Nothing could be further from the truth. Nonviolence goes far beyond passive resistance or even civil disobedience. To practice it in its true spirit demands strict discipline of mind: the courage to face aggression, the moral conviction to stay the course and the strength to do so without harbouring any malice towards the opponent.

At the heart of Mahatma Gandhi's philosophy of nonviolence, was his belief - that strength comes from righteousness, not force. Power comes from truth, not might. Victory comes from moral courage not imposed submission. He held that means and ends are inseparable, and that in fact the means themselves shape the ends. He believed unworthy means can never produce worthy ends.

History, both past and contemporary, confirms that violence only begets violence in an unending spiral, fostering hatred and revenge. Violence seeks to impose and overwhelm, which is why its victories are transitory. Nonviolence seeks to engage and persuade, which is why its results are enduring.

The Gandhian practice of nonviolence took many forms, but it always required an intense engagement with the opponent. The victory that Mahatma Gandhi strove for was to win over the adversary, not to vanquish him. The dialogue that he fostered, was founded on a spirit of genuine tolerance - the appreciation and understanding of the "other" or "others". He asked us to introspect, to reach out and engage, to look within and ask to what extent are we ourselves responsible?

Can anyone really claim a monopoly over truth and righteousness? We

must allow space for understanding and accommodation, for the soaring spirit of humanity to rise above the hopelessness and despair which threatens to ravage the human soul.

It is often said that Mahatma Gandhi's times, were radically removed from those we live in today. Some question the relevance of his methods in today's fast-paced and globally interlinked world, where threats to peace, security and social harmony abound. But the essential validity of Mahatma Gandhi's truth has not changed, because human nature itself has not changed.

Looking back, if the 20th century was the most bloody in human history, it was also the century where non-violence saw its greatest triumphs, cutting across the boundaries of continents and faiths. It is worth remembering that among the myriad civil disobedience movements, the only army of non-violence, was the one led by Khan Abdul Ghaffar Khan known to history as 'The 'Frontier Gandhi'.

Today individuals and movements all over the world, continue to develop innovative, nonviolent ways to overcome oppression, combat discrimination and build democracy. These are the successes which keep the flame of hope burning bright.

Mahatma Gandhi himself was, first and foremost, a man of action. While he was indeed a man of deep contemplation, he was also a man of galvanic energy. It is this energy, that enabled him to overcome resistance arising from hostility, indifference and cynicism. It is this energy that gave him the resilience to press ahead, in spite of tremendous obstacles and tribulations. As he himself once said: "we must ourselves become the change we seek."

As we look around us today, we see violence everywhere.

- U Violence against each other reflected in the spread of terrorism, the disturbing emergence of non-state players and our collective failure to move towards comprehensive, universal nuclear disarmament.
- U Violence against the poor and the vulnerable, against women and children, caused by social strife and inequities spawned by economic globalization.
- U And violence against Planet Earth reflected in man-made, climate-changing activities and unsustainable lifestyles.

Even as we are inspired by Mahatma Gandhi's life, let us today affirm our commitment to the Gandhian way, a commitment that is reflected in demonstrable actions and results. Let us ensure that this Day, does not get reduced to an annual ritual. Let us strive to adopt his methods to our present day challenges, with earnestness and perseverance.

Ladies and gentlemen it is not the relevance of Mahatma Gandhi that is in question today. What is in question today is whether we have the courage to emulate, what he preached and practiced, what he lived and died for. There are some who believe that violence and aggression, are innate in human nature. There are those who have shown that human beings, can and have often evolved to a higher stage.

For Mahatma Gandhi, the remarkable personality we honour today, a man who achieves complete non-violence, "is not a saint".

He is "truly a man".

Let us then strive to follow this path of non-violence and in so doing become "truly human".

I thank you.



583. Press Release of the Ministry of External Affairs on the election of India by the UN General Assembly to the Independent Audit Advisory Committee and the Advisory Committee on Administrative and Budgetary Questions.

New Delhi, November 2, 2007.

India was today elected by acclamation by the Fifth Committee of the UN General assembly to the Independent Audit Advisory Committee (IAAC) and the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

Shri V.N. Kaul, Comptroller and Auditor General of India was elected as a member of the newly established Independent Audit Advisory Committee (IAAC) of the United Nations.

The IAAC was mooted by the World Summit 2005 which asked for strengthening management reforms in the UN subsequent to which the

Secretary-General, submitted a report entitled "Investing in the United Nations: for a stronger Organization worldwide", which outlined 23 broad reform proposals including setting up of the IAAC. The IAAC was established in December 2005 vide UN General Assembly (UNGA) Resolution No. 60/248 and will be operational from October 2007. The creation of the IAAC will contribute to the efforts to improve accountability of the UN Secretariat towards Member States and create a comprehensive management accountability and oversight framework in the United Nations.

The IAAC is composed of only 5 members, elected by the UNGA. The candidates have been evaluated and attested through consultations with an external relevant institution, such as the International Organization of Supreme Audit Institutions (INTOSAI). This ensures that only highly competent and qualified people are chosen for this sensitive task. The IAAC's function is to advise the GA on the effectiveness of the UN's audit and other oversight functions and on accounting and disclosure practices. It would also advise the GA on the effectiveness of risk management procedures and identify deficiencies in the UN's internal control framework as well as advise the GA on operational implications of issues and trends of UN's financial statements and reports.

Shri Kaul, who is an Indian Administrative Officer of 1965 batch, has had a long and distinguished career and has served in various capacities within and outside India. He has considerable international experience having worked in UNESCAP and has served on various international bodies including UN Panel of External Auditors and as the Secretary general of ASOSAI.

Shri Nagesh Singh, First Secretary in the Permanent Mission of India to the UN Offices at New York, was elected to represent India on the ACABQ. The ACABQ is a 16-member subsidiary organ of the UNGA which advises it on administrative and budgetary matters.



584. Remarks by Permanent Representative at the UN Nirupam Sen on Agenda Item 9 - Report of the Security Council and Agenda Item 122 - Equitable Representation on and increase in the Membership of the Security Council and other related matters - Joint Debate in the General Assembly.

New York, November 13, 2007.

Please see Document No. 658.



DISARMAMENT

585. Statement by Permanent Representative to the Conference on Disarmament Jayant Prasad on Nuclear Disarmament at the Conference on Disarmament.

Geneva, February 13, 2007.

Mr. President,

First, allow me to say that we are most happy to see you in the chair. Over the past week, in accordance with the organisational framework for the first part of the 2007 Session of the Conference on Disarmament, we have undertaken useful discussions on agenda items 1 and 2, both in the plenary held on 6th February and, thereafter, in six informal meetings. In this connection, I should like to express my delegation's appreciation for the initiative taken by the collective presidencies of the Conference for this year. In particular, we would like to compliment Ambassador MTSHALI, as the first and incumbent President. The three distinguished Coordinators who have presided over the informal meetings on agenda items 1, 2 and 3, Ambassador STROMMEN, Ambassador TREZZA, and Ambassador MEYER also deserve our commendation for conducting the respective proceedings in an exemplary way, which is a good augury for the work of the Conference this year.

2. The discussions last week have reflected the resolve of UN Member States, contained in the final document of the first special session of the General Assembly devoted to disarmament and the UN Millennium Declaration, that nuclear disarmament is the most critical issue on the global disarmament agenda and that our ultimate goal is the complete elimination of nuclear weapons.
3. While maintaining a credible minimum nuclear deterrent, India continues to be committed to the goal of nuclear weapon free world, through global, verifiable and non-discriminatory nuclear disarmament. India's responsible nuclear doctrine is based on no first use and non-use of nuclear weapons against non-nuclear weapons States. The doctrine also reaffirms India's readiness to join multilateral negotiations for the reduction and elimination of nuclear weapons. India has continued to observe a moratorium on nuclear explosive tests. We are ready to participate in negotiations, in the Conference, on a non-discriminatory, multilateral and internationally

and effectively verifiable treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices.

4. During the course of the informal discussions, we have spelt out India's specific proposals to build a consensus that strengthens the ability of the international community to move towards the goal of nuclear disarmament. The proposals presented have already been reflected in the non-paper on agenda item 1, compiled by Ambassador Strommen, that lists and clusters all concrete proposals for substantive issues that require more focussed attention during the second part of the annual session, with a view to commencement of negotiations.
5. In order to facilitate further consideration of practical steps for the progressive and systematic efforts to attain the cessation of the nuclear arms race and nuclear disarmament, and the prevention of nuclear war, I am separately requesting the Conference secretariat to circulate to the members of the Conference the text of India's working paper on nuclear disarmament presented on 6th October 2006 at the First Committee of the General Assembly at its 61st Session. This will facilitate the further discussions on agenda items 1 and 2 in the forthcoming meetings of the Conference.
6. We have gained from the format of the discussions, which have been held mostly in an informal setting. This has allowed for a freer exchange of ideas, besides providing greater clarity on the agenda issues that lie before us. India will remain engaged, together with other delegations, in seeking ways to begin substantive work on all principal issues on the agenda of the Conference in a manner that takes into account the concerns and priorities of its constituents and secures their support. We are hopeful that the recommendations and proposals presented by the Member States and our further deliberations will contribute to an agreement on the programme of work of the Conference.

I thank you, Mr. President.

Annex: A Working Paper by India on Nuclear Disarmament

The international community has long recognised that nuclear weapons pose the greatest danger to humankind and therefore, it is

essential for it to take urgent steps towards realisation of the goal of their complete elimination. The UN General Assembly, in its very first resolution, Resolution 1(I) of 1946, adopted unanimously, sought the elimination, from national armaments, of atomic weapons and all other major weapons adaptable to mass destruction and to use of atomic energy only for peaceful purposes, a goal that has been reaffirmed by the General Assembly on several occasions thereafter.

2. The Final Document of the First Special Session of the General Assembly devoted to Disarmament (SSOD-I), the only document on nuclear disarmament adopted by consensus by all member States, affirmed and accorded the highest priority to the goal of nuclear disarmament and outlined concrete steps to achieve that objective. It pointed out that the achievement of nuclear disarmament would require urgent negotiation of agreements, at appropriate stages, and with adequate measures of verification satisfactory to the States concerned, for (i) the cessation of the qualitative improvement and development of nuclear weapon systems; (ii) the cessation of production of all types of nuclear weapons and their means of delivery and of the production of fissionable material for weapon purposes; and (iii) a comprehensive, phased programme with agreed timeframes, whenever possible, for progressive and balanced reduction of stockpiles of nuclear weapons and their means of delivery, leading to their ultimate and complete elimination at the earliest possible time. It emphasized that in the task of achieving the goals of nuclear disarmament, all nuclear weapon States, in particular those among them that possess the most important nuclear arsenals, bear a special responsibility. It also emphasized that the process of nuclear disarmament should be carried out in such a way and requires measures to ensure that the security of all States is guaranteed at progressively lower levels of nuclear armaments. The principles and objectives, which were agreed by all, remain of continuing relevance and need to be reaffirmed by the international community.
3. The International Court of Justice (ICJ) concluded in 1996 that: "there exists an obligation to pursue in good faith and bring to a conclusion negotiations leading to nuclear disarmament in all its aspects under strict and effective international control." The UN Millennium Declaration reiterated the commitment of the Member States of the United Nations to strive for the elimination of weapons of mass destruction, in particular nuclear weapons, and to keep all options

open for achieving this aim. Various proposals for nuclear disarmament have since been considered, including in a number of studies ranging from the Canberra Commission to the more recent WMD Commission. The Pugwash Movement and the NGO Community have also made valuable contributions to the nuclear disarmament discourse.

4. The Non-aligned Movement, described as the largest peace movement in history, has always accorded the highest priority to nuclear disarmament. The XIV Havana NAM Summit reaffirmed the Movement's principled positions on nuclear disarmament and emphasized the necessity to start negotiations on a phased programme for the complete elimination of nuclear weapons with a specified framework of time, including a Nuclear Weapons Convention.
5. The international community is far from achieving the objective of the total elimination of nuclear weapons, though there has been some progress in this regard. In particular the Russian Federation and the United States have taken steps to reduce their nuclear weapons stockpiles, and India welcomes such efforts. Notwithstanding these reductions the global threat posed by nuclear weapons has not subsided. In recent years another dimension has been added by the possibility that terrorists and other non-State actors may acquire and use weapons of mass destruction, including nuclear weapons and so-called "dirty-bombs".
6. Despite the end of the cold war, the international security situation is still characterised by lack of trust and political will amongst states to make progress towards the complete elimination of nuclear weapons. The non-nuclear-weapon States have serious concerns about the commitment of nuclear-weapon States to nuclear disarmament. The absence of any reference whatsoever to disarmament and non-proliferation in the 2005 World Summit Outcome underscored this fact. The Final Document of SSOD-I enshrined the essential principle of mutually reinforcing linkage between disarmament and non-proliferation. States that have voluntarily undertaken disarmament and non-proliferation obligations under respective treaties must implement them fully and faithfully.
7. Nuclear disarmament and nuclear non-proliferation are mutually reinforcing processes. Effective, credible and comprehensive system

of export controls, which at the same time do not hinder legitimate applications of science and technology for peaceful and developmental purposes, could be building blocks of a move towards universally acceptable non-discriminatory norms and effective international non-proliferation arrangements. Non-proliferation policies must also be forward looking, so as to allow for the expansion of international cooperation in the peaceful uses of nuclear energy for countries desirous of increasing the share of nuclear energy as a non-polluting energy source, in a manner that is safe, secure and proliferation resistant.

8. International efforts in nuclear disarmament would yield tangible results when they are backed by an international consensus. The Conference on Disarmament is the sole multilateral negotiating body on disarmament. The Disarmament Commission is the universal deliberative forum. The UN Charter endows the General Assembly with a responsibility on disarmament matters. The General Assembly must explore the convening of the Fourth Special Session on Disarmament, subject to consensus on its objectives and agenda. These remain the best fora to enable the emergence of a consensus and to make effective contribution to the goal of nuclear disarmament and the complete elimination of nuclear weapons worldwide.
9. India has played an active role in the international community's endeavours towards nuclear disarmament. India was the first to call for a ban on nuclear testing in 1954 and a non-discriminatory treaty on non-proliferation of nuclear weapons, as distinct from non-dissemination, in 1965. India's proposition on non-proliferation was predicated on the principle that the progressive steps towards elimination of weapons of mass destruction must be based on a balance of obligations between those who possess such weapons and those who do not. In 1978, India proposed negotiation for an international convention that would prohibit the use or threat of use of nuclear weapons. In 1982, India called for a 'nuclear freeze'- a prohibition on production of fissile materials for weapons, on production of nuclear weapons and related delivery systems.
10. In 1988, India presented the Rajiv Gandhi Action Plan to the General Assembly that provided a holistic framework seeking negotiations for a time-bound commitment for the complete elimination of nuclear weapons to usher in a world free of nuclear weapons and rooted in

non-violence. This Action Plan was by far the most comprehensive initiative on nuclear disarmament, covering issues ranging from nuclear testing, fissile material for nuclear weapons to a time bound elimination of stockpiles. India, together with 27 other members of the Group of 21, in August 1996, presented to the Conference on Disarmament a Programme of Action, as contained in document CD/1419, for the elimination of nuclear weapons, with a specified time frame. This was further endorsed by the Group of 21 in documents CD/1570 and CD/1571.

11. So long as the States that possess nuclear weapons continue to believe that nuclear weapons constitute a critical element of their security strategy, the goal of the complete elimination of nuclear weapons will remain elusive and distant. Therefore, reducing the salience of nuclear weapons in strategic and security doctrines and policies is essential for realizing the goal of complete elimination of nuclear weapons. Alignment of nuclear doctrines to a posture of 'no-first-use' and non-use against non-nuclear-weapon States by all nuclear weapon States will be an important step towards achieving this objective.
12. The non-nuclear weapon States have persistently sought legally-binding assurances from the nuclear-weapon States against the use or threat of use of nuclear-weapons against them. They have regarded the security assurances provided so far by the nuclear-weapon States as inadequate, conditional and non-binding. Legally-binding assurances on use or threat of use of nuclear weapons against non-nuclear weapon States would further reduce the nuclear danger and mitigate the sense of insecurity among non-nuclear weapon States and, thereby, strengthen the non-proliferation regime. India firmly supports a policy of 'no-first use' and non-use of nuclear weapons against non-nuclear weapon States. India is ready to join multilateral negotiations to enshrine its commitment to no-first-use and non-use of nuclear weapons against non-nuclear weapon States in legally binding agreements. An agreement among the States possessing nuclear weapons on a global 'no-first-use' posture will engender strategic stability and reduce the danger of the accidental or unintended use of nuclear weapons.
13. The international community succeeded in negotiating Conventions on total elimination of biological and chemical weapons mainly

because their use had already been prohibited through the 1925 Geneva Protocol and States were prepared to relinquish these weapons as they did not foresee the likelihood of their use or their contribution to ensuring security. There is no reason why nuclear weapons cannot be eliminated in the same manner. A prohibition on the use or threat of use of nuclear weapons would be essential for eventual elimination of nuclear weapons.

14. The General Assembly resolution on a "Convention on the Prohibition of the use of Nuclear Weapons", first presented by India in 1982, requests the Conference on Disarmament to commence negotiations on an international convention prohibiting the use or threat of use of nuclear weapons under any circumstances. The resolution reflects India's belief that a multilateral, universal and binding agreement prohibiting the use or threat of use of nuclear weapons would help generate necessary political will among States possessing nuclear weapons to engage in negotiations leading to the total elimination of nuclear weapons; it would also contribute to mitigation of the nuclear threat in the interim, pending the complete elimination of nuclear weapons.
15. The General Assembly resolution on "Reducing Nuclear Danger" manifests India's conviction that the hair-trigger posture of nuclear forces carries the risk of unintentional, unauthorized or accidental use of nuclear weapons leading to a nuclear war with catastrophic consequences. The very real danger posed by the increased risk of systems and components falling into the hands of non-State actors or rogue actors within State structures, has further aggravated the existing dangers. Unilateral, bilateral and regional confidence-building measures, could supplement international agreements in reducing nuclear danger as also the risk of accidental nuclear war.
16. Progress towards the goal of nuclear disarmament will require a climate of mutual confidence in the international community to conclude universal non-discriminatory and verifiable prohibitions on nuclear weapons leading to their complete elimination. No effort must be spared in consensus building to this end.
17. We would urge the international community to intensify dialogue, so as to build a consensus that strengthens the ability of the international community to initiate concrete steps towards achieving the goal of nuclear disarmament based on the following elements:

- Reaffirmation of the unequivocal commitment of all nuclear weapon States to the goal of complete elimination of nuclear weapons;
- Reduction of the salience of nuclear weapons in the security doctrines;
- Taking into account the global reach and menace of nuclear weapons, adoption of measures by nuclear-weapon States to reduce nuclear danger, including the risks of accidental nuclear war, de-alerting of nuclear-weapons to prevent unintentional and accidental use of nuclear weapons;
- Negotiation of a global agreement among nuclear weapon States on 'no-first-use' of nuclear-weapons;
- Negotiation of a universal and legally-binding agreement on non-use of nuclear weapons against non-nuclear weapon States;
- Negotiation of a Convention on the complete prohibition of the use or threat of use of nuclear weapons;
- Negotiation of a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and on their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons with a specified timeframe.



586. Remarks by Permanent Representative to the Conference on Disarmament Jayant Prasad at the Plenary Meeting on the Presidential Proposal for a draft decision at the Conference on Disarmament.

Geneva, March 23, 2007.

Madame President,

Since we are meeting in the formal plenary, my delegation would once again wish to congratulate you heartily on your assumption of the presidency of the Conference at this critical juncture of its history. We would like to thank in particular Ambassador Mtshali of South Africa and Ambassador March of Spain, your two predecessors this year, who conducted themselves in an exemplary manner in chairing the Conference. We would also like to convey a warm word of welcome to our new and highly erudite colleague from Nigeria who will add to the collective wisdom of the Conference.

2. We welcome the unveiling of document L.1 on CD's programme of work, which contains the collective wisdom of the six presidencies for 2007. I shall promptly transmit this proposal to my government for careful consideration, advice and instructions.
3. In its general approach, the proposal before us takes on board all the core issues before the Conference and, in that respect, inherits the spirit of the other proposals on the table that enjoyed a broad measure of support within the Conference. This inclusion of four core issues in CD's future programme of work shows a collective willingness to take into account the concerns and priorities of all the constituents of the Conference.
4. We note, however, that in terms of the specific mandates, the treatment of the four issues is markedly different. In this context, we would like to reiterate our consistent position, in respect of an FMCT, of the importance we attach to the negotiation of a universal, non-discriminatory and verifiable treaty. There should, therefore, be sufficient understanding on fundamental parameters before formal negotiations are launched.
5. Another change in the P-6 proposal is the manner in which the four issues are to be substantively dealt with by the Conference. Our

task would be considerably facilitated if the procedure of working through Coordinators appointed by the Conference is given, what you described earlier this afternoon, "a more structured form." This can be done easily by carefully spelling out the working methods and reporting mechanisms, which must conform to the rules of procedure of the Conference. We are seeking greater clarity on this issue only to ensure that it will advance the next phase of work of the Conference.

6. India has a multilateral vocation and is ready to participate in the substantive work of the Conference, should it decide on appropriate parameters and methods to do so by consensus.



587. Remarks by Permanent Representative to the Conference on Disarmament Jayant Prasad at the Plenary meeting of the Conference on Disarmament.

Geneva, May 16, 2007.

Madam President,

At the start of the second part of the 2007 annual session of the Conference on Disarmament, I should like to first thank you, and the Ambassadors of South Africa and Spain, for your leadership of the Conference. My delegation shares the sense of forward movement prevailing in the Conference this year.

2. For India, at the current stage of CD's activities, establishing a programme of work remains the top priority and we are supportive of initiatives that would facilitate reaching consensus on it. We are happy to note that the presidential draft decision contained in document L.1 focuses on this issue. You, Madam President, have clarified in the plenary that the draft decision and CD's schedule of activities "will, for all practical purposes, constitute a programme work." For us, certainly, this does very much constitute a programme of work.
3. To ensure the smooth conduct of negotiations, there should be sufficient understanding on the fundamental parameters of the unfolding programme of work, especially on its substance. This is

required so that we embark upon a successful venture and for a positive outcome of the substantive work that we hope to undertake in the Conference.

4. The true vocation of the Conference is to engage in negotiations to arrive at multilateral, non-discriminatory legal instruments on the disarmament issues listed on the Conference agenda. The Conference has also engaged in exploratory discussions that precede negotiations, such as identification of issues, which we have conducted during the course of last year and the first part of the current annual session, as also clarification of objectives, on which an understanding amongst the constituents of the Conference is a prerequisite for successful negotiations.
5. Since we are engaged in that process now, it would be appropriate for my delegation to reiterate that, on a fissile material cut-off treaty (FMCT), we attach importance to the negotiation of a universal, non-discriminatory and effectively and internationally verifiable treaty and that it would be desirable for this to be clarified by the presidency in line with documents CD/1299 and CD/1547. India was supportive of the mandate on FMCT contained in the UNGA resolution 48/75L, which, India had co-sponsored. This support was reiterated by India at important moments when CD considered the matter, in 1995, following the adoption of CD/1299, and in 1998, following the adoption of CD/1547. We sincerely hope that there is sufficient common understanding on this fundamental issue as we proceed towards FMCT negotiations in the Conference.
6. In order to protect the negotiating position of my delegation, it would have been ideal to engage in FMCT negotiations in an Ad-hoc Committee and not have negotiations presided over by a coordinator. You, Madam President, clarified that the functions of the coordinators would be "comparable to those of a subsidiary body." Since the coordinators could not be designated as such, it might help very much if the clarifications provided by you earlier could be incorporated, even in a summary form, in the complimentary presidential statement.
7. My delegation would encourage the presidency to continue consultations so that the Conference is able to arrive at a decision that takes into account the interests and concerns of all delegations. We have to go beyond appealing to the good sense and wisdom of

delegations. It is only through a consultative process that the presidency can engender ideas that would persuade all CD members to arrive at a consensus.

8. India will continue to participate constructively in the ongoing efforts to reach a consensus on CD's programme of work.



588. Statement by Permanent Representative to the Conference on Disarmament Jayant Prasad at the Preparatory Committee Meeting for the First Conference of High Contracting Parties to Protocol V on Explosive Remnants of War.

June 18, 2007.

Mr. Chairman

My delegation, on whose behalf I take the floor, is most happy to see you in the chair of the Preparatory Committee Meeting. We would like to compliment you on the thorough preparation you have undertaken to secure a successful outcome both of this meeting and of the First Conference of the States Parties to Protocol V on Explosive Remnants of War scheduled in November 2007.

The CCW Convention and its five annexed Protocols embody the principle that parties to an armed conflict must prohibit the use of weapons that have indiscriminate effects and that cause unnecessary suffering or superfluous injury. They either ban or restrict the use of specific types of weapons used in armed conflict to protect non-combatant civilians from the effects of these weapons as well as to protect combat troops from excessive and inhumane injury. While mitigating the humanitarian concerns arising from the use of specific weapons or weapon systems, the Convention also takes into account their military necessity and strikes a balance between the two.

India is among those States Parties to CCW that have ratified all five of its Protocols. We have taken necessary steps to fully implement our obligations under these Protocols. India, therefore attaches particular significance to the CCW processes and is fully committed to the humanitarian principles represented by its protocols.

India has had special association with Protocol V, holding the presidency of CCW States Parties in 2002-03 when this Protocol was negotiated and concluded, and subsequently, in 2004-05, coordinating the Working Group on Explosive Remnants of War. We were also among the first lot of adherents to Protocol V. We are confident that when fully and effectively implemented, the Protocol will go a long way in mitigating the humanitarian concerns arising from explosive remnants of war, including cluster munitions.

Now that this Protocol has entered into force, it is of utmost importance that the States not party to it are encouraged to join it. India, therefore, supports the plan of action adopted last year to promote universality of Protocol V and the Convention itself.

Since ratifying the Protocol last May, Government of India began taking requisite measures for its implementation. Information concerning compliance with the Protocol has been disseminated to formations of the security forces. Our delegation will be in a position to present an implementation report within the stipulated timeframe. We, therefore, look forward to comprehensive stocktaking of the implementation of Protocol V at the November Meeting of its Contracting Parties.



589. Remarks by Permanent Representative to the Conference on Disarmament Jayant Prasad at the Plenary Meeting of the Conference on Disarmament.

Geneva, June 19, 2007.

Madam President,

Since we have a couple of days prior to the next plenary scheduled on Thursday, 21 June to reflect on your question, I would like to say a few words at this stage on the propositions you have placed on the table. Before I do so, let me first compliment you on your able leadership of the Conference and for the clarity and panache with which you are leading us in our collective endeavour of reaching an agreement on a programme of work. I should also like to thank Ambassadors of South Africa, Spain and Sri Lanka for their sustained efforts towards exploring the best way forward to arrive at a

consensus on a programme of work, which has eluded this Conference for almost a decade now.

2. In your statements on 14 June and today, you have shared with us your assessment of where we stand on the draft presidential decision contained in document L.1. My delegation would like to thank you for engaging in an open-ended informal consultative process on L.1 ?in a spirit of compromise and accommodation?, to which the UN Secretary General referred in his message to this Conference read out on 14 June, and which, indeed, is the basis for any multilateral negotiation project. My delegation has participated constructively and will continue to do so in our collective efforts to reach a consensus on a programme of work, taking into account the priorities of the constituents of this Conference.
3. During your presidency, you have made sincere efforts in accommodating the views of Member States on the presidential draft decision through a complementary presidential statement on its implementation, contained in CRP.5, as a possible way forward. This, together with an additional draft decision ?to establish even further clarity by an explicit expression of the relationship? between L.1 and CRP.5, addresses some of the concerns about the process raised by several delegations. We appreciate the clarifications concerning the work of the coordinators, reporting process and applicability of rules of procedure of the Conference. We also note the stipulation that L.1, taken together with a schedule of activities, will indeed constitute a programme of work.
4. The creative way of linking the two documents suggested by you, however, falls somewhat short of integrating them. My delegation's preference would be for a unitary decision consisting of three textual components, which are on the table: first, the draft decision as contained in L.1; second, the draft complementary statement as contained in L.1; and third, the understanding of the Conference on the implementation of the decision. They can be arranged logically and sequentially in a simple, neat, coherent and integrated text, articulating a unitary and unified understanding. It has the additional merit of avoiding multiplicity of documentation and unnecessary speculation regarding the comparative import of the three elements.
5. We had earlier emphasised the need for a clear understanding on fundamentals so as to ensure the smooth conduct of discussions on

negotiations once the CD has adopted its decision. In this regard we had sought clarifications on the mandates being assigned to various coordinators. In particular with regard to FMCT, we had very clearly indicated the importance we attach to a universal, non-discriminatory and internationally and effectively verifiable treaty prohibiting the future production of fissile material for nuclear weapons and other explosive devices. My delegation would urge you to continue with your consultations so that we are able to arrive at a sufficient common understanding on this fundamental issue. A common understanding on this subject among the constituents of the Conference would only help in the conduct of FMCT negotiations and its successful outcome.

6. Having said that, let me conclude by assuring you that for India, establishing a programme of work remains the utmost priority and we share with you a sense of forward movement prevailing in the Conference this year, beginning, as you recalled, with the substantive discussions held in the first part of CD's annual session. My delegation will continue to participate constructively in your ongoing efforts to reach a consensus on CD's programme of work.



590. Statement by Permanent Representative to the Conference on Disarmament Jayant Prasad at the Meeting of Experts of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (BTWC).

August 20, 2007.

Mr. Chairman,

Let me begin by congratulating you for the dynamic leadership you have provided this Convention since its 6th Review Conference last year. This meeting of experts is a result of the decisions of the Review Conference for the success of which we owe you a great deal. Given your consummate skills, my delegation is confident that the meeting of experts will have equal success.

As we begin to take stock of the ways and means to enhance national

implementation of the Biological and Toxin Weapons Convention, it is well worth reminding ourselves of the success of the international community in translating into action their common resolve to eliminate an entire category of weapons of mass destruction. This provided a good example for a similar effort in the area of chemical weapons, which led to the Chemical Weapons Convention and the ongoing world-wide destruction of chemical weapons facilities and stocks. We need a similar effort in the area of nuclear weapons.

Meanwhile, it is imperative that the norms against biological weapons contained in BTWC are fully upheld and implemented, especially in the context of a growing threat of proliferation of biological weapons and bio-terrorism. Advances in biotechnology, genetic engineering and life sciences hold great promise and equally great risks. The intrinsic capacity for the development of biological warfare agents will expand at the same speed as the pace of civilian research. The greater availability of expertise, the dissemination of scientific information and reduction in costs have brought the making and deploying of biological warfare agents within the capacity of terrorists.

The short and straightforward text of BTWC, containing simply stated commitments, does not elaborate the fine distinction between prohibited and permitted activities. Moreover, the prohibitions contained in the Convention, for want of provisions on verification of compliance, critically depend on the commitment of the States Parties to observe these prohibitions. That is why we have always emphasized the responsibility of States Parties to fully implement their obligations under the Convention and adopt national measures, including the enforcement of legislative and administrative measures, to ensure their compliance with all the provisions of the Convention.

We are, therefore, pleased that the very first meeting of experts for the new inter-sessional work programme is devoted to national implementation, considerable ground on which was initially covered in the course of the meetings of experts and States Parties in 2003. Our ensuing deliberations will catalyze fresh ideas and throw up best practices on how to implement the Convention more effectively. In this connection, we would like to express our appreciation for the important contribution made by some States Parties, the concerned international organisations as well as civil society organisations and think tanks in providing us with significant material on the core issues that we hope to consider in this meeting. Their active participation, including that of the national public health stakeholders, augurs

well for our deliberations. My delegation will be making presentation on both the issues selected for this meeting.

We are also pleased to note the establishment of the Implementation Support Unit. The ISU has already commenced the much needed organisational support that the Convention was so much in need of. We are confident that the ISU will assist greatly in the full and effective implementation of the Convention, including the promotion of international, regional and sub-regional cooperation and the universalisation of the Convention.

We are fortunate for the success so far in our common endeavour in banning biological weapons. This meeting of experts, and the later meeting of States Parties, we hope, will further the coherence, cooperative atmosphere and commitment that have emerged as the key characteristics of the Convention's work programme. A steady and cooperative approach will help consolidate our past achievements. My delegation, Mr. Chairman, remains committed to working with you towards this end.

I thank you.



591. Statement by Member of Parliament and Member of the Indian Delegation to the UN Ms. Sushma Swaraj at the First Committee of the 62nd session of the UNGA.

New York, October 16, 2007.

Please see Document No. 622.



592. Statement by Permanent Representative to the Conference on Disarmament Ambassador Jayant Prasad at the Ninth Annual Conference of the States Parties to Amended Protocol II to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May be Deemed to be Excessively Injurious or to have Indiscriminate Effects.

Geneva, November 6, 2007.

Mr. President,

My delegation is most happy to see you in the chair of the 9th Annual Conference of the States Parties to the Protocol on Prohibitions or Restrictions on the Use of Mines, Booby-Traps and other Devices (Amended Protocol II) of 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 Convention). The Swiss contribution to the CCW process is well recognised and we welcome your guidance of the Conference. You have our fullest support to ensure its success.

India ratified the Amended Protocol in September 1999, within a year of its entry into force. 88 of the 103 States Parties to the CCW Convention, representing an overwhelming majority of the global population, including the major landmine producing States, are now party to the Protocol. It remains a comprehensive, legally-binding instrument addressing the humanitarian risks posed by the indiscriminate and irresponsible use of anti-personnel mines as well as anti-vehicle mines, while taking into account their continued military necessity. We welcome Cameroon, Niger and Tunisia as its latest adherents.

The Amended Protocol strengthens the erstwhile regulation of landmines and booby traps by extending its scope to cover both international and internal armed conflicts, banning the use of non-detectable anti-personnel mines, for their detection and removal at the end of a conflict, prohibiting their transfer, and limiting the use of non-self-destructing or self-deactivating mines to monitored and marked areas to prevent non-combatant casualties. If fully implemented, it will contribute significantly to addressing humanitarian concerns, while allowing States to use these mines in a responsible and regulated manner.

In keeping with its commitment to faithfully implement the Protocol, India has fulfilled its obligations with regard to all its technical parameters. Since 1st January 1997, India has not produced any non-detectable mines. The design and development of detectable anti-personnel mines was completed and all necessary technical issues resolved, with 8 grams metallic rings fitted on all anti-personnel mines stocked for operations. Furthermore, Government of India is in the process of increasing the existing scales of its minefield marking and laying stores.

It would be appropriate at this Conference to provide details of India's national implementation of Amended Protocol-II under specific heads.

Imparting information to the armed forces

- The provisions of the CCW Convention and Amended Protocol-II are being regularly disseminated to the armed forces, through presentations on the subject at seminars, symposiums and conferences held under the aegis of the Army.
- Military courses of instruction include this subject in the syllabi of relevant army training programmes as a mandatory requirement, both for the officers and other ranks, including junior commissioned officers.
- A booklet on India's obligations under Amended Protocol-II has been published and handed out to all armed forces formations and units.
- Officers of the Ministry of Defence, Ministry of External Affairs and the Services Headquarters interact regularly for exchanging ideas and information on the implementation of the provisions of the Protocol.

Imparting information to the civilian population

- An integral part of our government's efforts to avoid civilian casualties is to enhance public awareness on landmines, in particular anti-personnel landmines. The Indian army has disseminated information on mines laid along the border areas, as part of military operations, to the concerned civilians, besides placing warning signs at suitable locations. Mine awareness programmes in the relevant locations have also been conducted at the village level.
- Media representatives have been briefed by the Army to disseminate

information on the preventive measures required to prevent civilian casualties resulting from exercises or operations.

Mine clearance programmes

- India's armed forces have not used mines for maintenance of law and order or in internal security situations, or even for combating terrorists and terrorist organisations, including those that have indiscriminately used improvised explosive devices and mines. The Corps of Army Engineers continues to aid civil authorities in defusing and clearing such devices.
- Whenever and wherever the army has used mines for defensive military operations, the mines have been laid within fenced perimeters and marked, in accordance with the requirements specified in Amended Protocol-II. Post-operations, these mines have been cleared by trained troops and arable land handed back to the owners at the earliest.

Rehabilitation programmes

- Whenever landmine casualties have occurred, concerted efforts have been made to rehabilitate the affected persons by providing monetary compensation, employment and assistance, including prosthetics for mine victims.

International cooperation for mine clearance

- India remains committed to providing mine-related assistance under the UN umbrella. India is one of the largest contributors to the UN peacekeeping operations the world over. Cambodia, Angola and Afghanistan, where we have carried out de-mining operations, are perhaps the most heavily mined countries in the world. In Cambodia, the Indian Army had deployed de-mining supervising teams as far back as 1991. After training several de-mining platoons, de-mining of specific areas was entrusted to these teams, resulting in hundreds of square kilometres of land being cleared of mines. Our training effort towards this end continues even today. In Angola, the Indian Army had undertaken large-scale de-mining operations under the UN umbrella in 1995. More recently, in connection with the Indian Government's programme of constructing a road in the heavily mined south-western part of Afghanistan, from Zaranj to Delaram, we have

undertaken a de-mining operation since December 2005, which is very nearly done, and the road construction now is in full swing.

Technical cooperation and assistance

- India has been a ready provider of technical assistance and expertise for mine clearance and rehabilitation programmes in international de-mining efforts. Besides contributing to participating in national, regional and international workshops and seminars, an Indian Army team imparted training to the Cambodian Army on de-mining operations in March 2007. Thereafter, the trained Cambodian army detachments have undertaken de-mining operations in Sudan under the aegis of UNMIS, starting from mid-2007.

India remains committed to the cause of addressing humanitarian suffering caused by certain conventional weapons, in consonance with our legitimate security concerns. The States Parties to Amended Protocol-II have undertaken modest, yet important steps in prohibited the indiscriminate use of mines and their intentional use against civilians. In stipulating that mines, booby traps or other devices must not be targeted against civilians or civilian objects or used indiscriminately, the Protocol effectively applies the core principles of the CCW Convention concerning the prohibition on the use of weapons that are indiscriminate and the prohibition on the use of weapons of a nature that cause unnecessary suffering or superfluous injury. We welcome the cooperative atmosphere of our discussions at the Conference and hope that the mutual exchange of technology and experience among the States Parties will help in promoting the universalization of the Protocol.



593. Statement by Permanent Representative of India to the Conference on Disarmament Jayant Prasad at the Plenary of the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May be Deemed to be Excessively Injurious or to have Indiscriminate Effects.

Geneva, November 7, 2007.

Mr. Chairman,

My delegation is very pleased with your assumption of the chair of the meeting of the High Contracting Parties of 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 Convention). We are confident that the meeting will have a successful outcome under your leadership. We are delighted to have Ambassador Sergio Duarte, the High Representative of the UN Secretary General in our midst and would like to thank him for reading Secretary General's encouraging message.

India is privileged to be part of a small group of countries that have ratified or otherwise acceded to the entire CCW package: Protocol I, Amended Protocol II, Protocols III, IV and V as well as amendment to Article I of the Convention. India has shouldered responsibilities entrusted to it in previous years to nurture the CCW processes, including its Presidency in 2002-2003, when Protocol V on Explosive Remnants of War was negotiated and concluded.

The CCW Convention embodies the principle that the right of the parties to an armed conflict to choose the methods or means of warfare is not unlimited. It prohibits the employment, in armed conflicts, of weapons, projectiles and materials and methods of warfare of a nature that cause superfluous injury or unnecessary suffering. The Convention and its Annexed Protocols, while stipulating measures to mitigate humanitarian concerns arising from the use of specific weapons and weapon systems, also take into account their military necessity and strike a balance between the two.

The CCW Convention now has 103 adherents. It is of utmost importance that the States that are not party to it are encouraged to join the Convention and the Protocols annexed to it. Good work has been carried out in this

context since the Review Conference held last year by Ambassador Francois Rivasseau and we are happy to know that you, Mr. Chairman, will now contribute to that work. India attaches high importance to the Plan of Action and the Sponsorship Programme to promote the universality of the CCW. The Government of India has decided to make a contribution of US dollars ten thousand to support efforts in this regard.

India believes that States Parties are primarily responsible for the full and effective implementation of their obligations under the Convention and the Protocols to which they are bound. We were satisfied with the decision on a compliance mechanism contained in Annex II of the Final Declaration of the last Review Conference. We hope to engage in discussions to finalise and approve the standardized reporting formats as well as their registration form for the pool of experts. To cater to the increased workload, we must give serious thought to strengthening the Secretariat supporting the CCW process.

The entry into force of Protocol V on ERW is a significant development. We call upon all States that have not already done so to accede to the Protocol. We are confident that, when fully and effectively implemented by a wide cross section of countries, Protocol V would go a long way towards mitigating the humanitarian concerns associated with ERW.

The Group of Governmental Experts has continued its valuable work in areas related to ERW: consideration of the implementation of existing principles of international humanitarian law and possible measures, including on cluster sub-munitions, aimed at minimizing the humanitarian risks of these munitions becoming ERW. We would like to compliment Ambassador Karklis for his leadership at the last GGE. India will continue its contribution in the GGE during the course of next year.

With regard to Mines other than Anti-Personnel Mines and finding common ground on the key remaining issues of detectability and active life span, we hope that States Parties will demonstrate flexibility in order to adopt a legally binding protocol on MOTAPM that would maintain the balance between humanitarian concerns and the military utility of these weapons.

The CCW process is primarily concerned with the application of existing IHL principles for regulating the use of specific types of weapons, weapon systems and munitions in order to mitigate the humanitarian risks associated with their use. Indeed, the CCW Convention is one of the principal IHL legal instruments and has proven its dynamism. All of us, party to it, have

a collective responsibility to ensure that there is an adequate and timely response to the current challenges posed by advancements in weapons technology or changes in methods of warfare.

Therefore, while we should continue to encourage the States Parties to fully meet their IHL obligations within the CCW framework, we must not lose sight of the importance of the international community as a whole coming up with a new and strengthened format that would, by common agreement, reaffirm and strengthen the application of international law in regulating methods of warfare and in protecting the victims of warfare.

The last time the international community had an opportunity to undertake such a comprehensive review was at the 1979 UN Special Conference. This resulted in the CCW Convention in 1980. In the ensuing three decades, there has been a fundamental transformation of the international landscape. The Cold War has ended, the nature of conflicts has changed and new technologies in warfare have emerged. There is also a new consciousness, both among Governments and NGOs, about the need to address the conditions of victims of conflict, through sustained post-conflict and peace building efforts. Victim assistance is now a major objective of our common efforts.

We feel that there is need for a renewed debate and discussion on strengthening the obligations of all States to consider whether the adoption of new weapon systems or methods of warfare should, in some circumstances, be prohibited under the applicable rules of international law. It is pertinent to recall that measures related to prevention of military uses of new technologies in certain circumstances were integral to the 1988 Rajiv Gandhi three-stage Action Plan on Disarmament. Further, given the changing circumstances, we feel it is time for the international community to consider ways and means to continue the codification and progressive development of the rules of international law applicable to advanced conventional weapons which have devastating and indiscriminate effects, or hinder post-conflict peace building efforts or have lasting negative effects on the environment or fragile eco-systems.

We believe that these are complex and interrelated issues that do not lend themselves to easy or old solutions. Addressing these questions will require new thinking and new approaches that must be evolved through dialogue and consultation. The CCW process is an appropriate forum to initiate such consultations, which must also extend to the larger international community. Given adequate preparation and a focussed agenda, it is possible that the

discussions and debate within this forum can be a stepping-stone for a larger initiative at the UN to take on board those that are outside the CCW process. India looks forward to working with the CCW Parties to achieve our common objectives.

Before ending, Mr. Chairman, my delegation would like to express its appreciation to the International Committee of the Red Cross and NGOs within the CCW process for their contributions, which have energised and enriched our work.

I thank you for your attention.



594. Statement by Permanent Representative to the Conference on Disarmament and Head of the Indian Delegation Jayant Prasad at the 2007 meeting of the states parties to the Convention on the Prohibition of Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their destruction.

December 10, 2007.

Mr. Chairman,

My delegation is happy to see you chairing the Annual Meeting of the States Parties of Biological and Toxin Weapons Convention (BWC). We would like to thank you for your leadership and for imparting a sense of forward movement that we feel in the context of the Convention since the Review Conference held last year.

We congratulate you on your efforts to enlarge our membership and would like to welcome the delegations of Gabon, Kazakhstan, Montenegro and Trinidad and Tobago to the Convention's fraternity. We join the call to the signatory States to the Convention that have not yet ratified it, to do so, and to the other States who have not signed the Convention, to become party to it at the earliest.

We appreciate greatly the efforts of the Implementation Support Unit and the services it has rendered to State Parties in the short period since its

establishment, especially the speed with which it set up the restricted area website and the facilities for electronic submission and publication of CBMs.

While we have embarked upon a new inter-sessional work programme, we must remind ourselves of the need to strengthen the Convention to deal with the widening threat spectrum arising from possible malevolent uses of biotechnology, which is creating new ways of manipulating basic life processes. The dramatic progress in the field of synthetic biology has increased the possibility of engineering living organisms. Moreover, DNA synthesis and genomic technologies utilise equipment and materials that are readily available and relatively inexpensive and much of the relevant information is accessible on e-databases. Adding to the spectre of possible new and deadlier microorganisms and toxins is the growing possibility that non-State actors could acquire and use biological warfare agents as new instruments of terror.

We associate ourselves with the statement of the Non-Aligned Movement delivered by Cuba earlier today, particularly its emphasis on strengthening the Convention through multilateral negotiations for a non-discriminatory, legally binding agreement, including on verification, dealing with all the articles of the Convention in a balanced and comprehensive manner. In the face of the emerging challenges, verification of compliance will be an important element in providing the assurance that all States Parties are meeting their commitments and obligations.

The Meeting of Experts held last August has provided useful inputs on the issues that are to be discussed in our meeting. As outlined in the 'synthesis' document L.1 presented by you, Mr. Chairman, a host of issues are to be addressed in order to enhance national implementation and increase regional cooperation to implement fully the obligations under the Convention. Since the intrinsic capacity for the development of advanced biological warfare agents could expand at the same pace as the pace of civilian research, States Parties require to exercise utmost vigilance in strictly complying with the provisions of the Convention. Continued effort towards identifying likely sources of danger and formulating and implementing national measures to avert them would be vital for fulfilling the obligations of the States Parties under the Convention. This would go hand-in-hand with the formulation and enforcement of effective national measures, including on export and import controls, which have been comprehensively listed in document L.1.

Biological agents and toxins do not respect national frontiers: indeed, recent

events have underlined again that diseases spread rapidly across continents. Regional and sub-regional cooperation, therefore, are essential for enhanced security as much as for increasing the knowledge base within regions for combating the dangers that may arise both from naturally occurring and deliberately induced outbreak of disease. We need to strengthen national and regional capacities in the public health infrastructure, as also the existing level of preparedness for the prevention, response and recovery capabilities against biological attacks. India has offered fellowships to other developing countries, as also the use of its infrastructure, to help countries in the region investigate disease outbreak. The Indian Council of Medical Research's centres provide hands-on training, in association with WHO, in use of modern technologies in outbreak investigations to countries in the South-East Asia region. We have also established regional consultations with Bangladesh, Bhutan and Nepal on cross border infection controls.

Unfortunately, a majority of States Parties lack resources for enhancing national implementation and forging greater regional cooperation. The development of national, regional and international capabilities for surveillance, detection, diagnosis and combating of infectious diseases will require a substantial investment, as also a much greater level of commitment to increased international assistance and cooperation as provided for in Article X of the Convention. Some international organizations such as the World Health Organization, the Food and Agricultural Organization, and the World Organization for Animal Health are already helping in combating human, animal and plant diseases, and we commend them for their efforts. A substantial effort is also required by States Parties themselves, from within the framework of this Convention.

Mr. Chairman,

The BWC is at a crucial juncture. Our recent efforts have nurtured interest in the Convention. In order to strengthen it, however, much more needs to be done. My delegation remains committed to assisting you in this task in active association with fellow States Parties to the Convention.



INDIA'S FOREIGN RELATIONS - 2007

SECTION-IX

INDIA AT THE UNITED NATIONS

**595. Statement by Permanent Representative at the UN
Nirupam Sen at the handover ceremony of the
Chairmanship of the Group of 77.**

New York, January 10, 2007.

Mr. Chairman,

First of all let me congratulate you and Pakistan on a well deserved election as Chair of G-77. We would like to convey our deep appreciation to South Africa for the effective leadership it has provided to the Group of 77 in the past year, when the developing countries had to deal with many important and complex issues. These have been ably detailed in the statement of Her Excellency Dr. Nkosazana C. Dlamini Zuma, Minister for Foreign Affairs for South Africa prior to her handing over the gavel to Your Excellency.

2006 was indeed a challenging year during which several developments of great significance to developing countries took place. First and foremost, the challenge before the Group was to build on the momentum generated by the 2005 World Summit not only in terms of promoting international cooperation for development but also in addressing systemic issues – creating an international economic governance conducive to development. Representing the Group of 77, South Africa articulated the concerns and interests of the developing countries forcefully and effectively. We would like to convey our special appreciation to Ambassador Dumisani Kumalo and his team for the competence and dedication with which they served the Group during the 61st session of UNGA, ECOSOC and other important meetings as well as during the follow-up to the 2005 World Summit Outcome in the areas of development and management reforms so important for the developing countries.

The developing countries still find their policy space increasingly circumscribed. If globalisation is inevitable, multilateralism has to be its life sustaining mechanism. Hence the voice of developing countries and their further empowerment in the international arena remains vital. The Secretary General accurately said that it is the developing countries that need the UN more; clearly the developing world is more in need of a rule based multilateral order which would help to even out uneven playing fields. Hence the Hon'ble Foreign Minister of South Africa in a striking and important address emphasized the much needed reform of international economic

institutions whose policies impinge on the developing countries and appositely quoted the Noble Prize winning economist Stiglitz. Agreements reached in the past year in the context of development follow-up to the 2005 World Summit Outcome and the strengthening of the ECOSOC assume significance in terms of strengthening the role of the United Nations in the promotion of international cooperation for development, through monitoring the fulfilment of commitments especially by the developed countries, and in the review and assessment of international economic policies, in particular the performance of the international financial and economic institutions, and make recommendations where needed. The latter is particularly significant as most of the developing countries have capacity constraints to assess the impact of such policies. The challenge now is to consolidate the gains that developing countries made in 2006 and work towards the implementation of the agreements reached. Developing countries would also need to be vigilant to proposals relating to enhancing the effectiveness of the delivery of development assistance by the United Nations in the context of system-wide coherence. At a time of some exhaustion, it was difficult to mobilize the energies and cohesion of the Group on issues like the real strengthening of ECOSOC or scales of assessment etc. South Africa, as Chairman, contributed substantially to achieving this mobilization and cohesion: this is the true light in its laurels for the memory of future time. It is this work that needs to be maintained and continued. As the great Latin American writer Eduardo Galeano once said, collective efforts and cohesion is necessary in order not to give way to "indignity, amnesia and resignation".

In the context of Secretariat and management reforms the Group of 77 performed admirably in the past year. On issues like lifting of spending cap, proposals of the Secretary-General in his report on 'Investing in UN for a stronger Organisation', in particular governance and oversight, human resources management, financial management, ICT and procurement, substantial progress was made largely reflecting the positions taken by the Group. It was once again a victory reflecting the cohesion and solidarity of the Group. There are unfinished agenda items which are of significant interest to developing countries, especially relating to governance and oversight so critical for developing countries, which would be coming up in the course of this year. My good friend Ambassador Kumalo quoted a beautiful poem. This reminded me of another poem (which speaks of the love and solidarity referred to in the poem quoted by Ambassador Kumalo) written to Toussaint L'Ouverture who led the revolution in San Domingo in the eighteenth century which set up the first independent black republic:

“Thy friends are exultations, agonies/And love and man’s unconquerable mind”. The G-77 has experienced both exultation and agony but the most important has always been love and solidarity and the unconquerable mind. You had doubted, Mr. Minister, Ambassador Akram’s love for poetry but I am sure he would have to develop it because, in the context of G-77, poetry and love and solidarity are indivisible.

We welcome Pakistan and its able Permanent Representative Ambassador Munir Akram their taking over the Chairmanship of the Group of 77. We are confident that they will provide effective leadership to the Group this year in collectively meeting the challenges that confront the developing countries and wish them every success in guiding and leading the Group of 77.

Thank you, Mr. Chairman.



596. Statement by Permanent Representative at the UN Nirupam Sen on Agenda Item 47: Integrated and Coordinated implementation of and follow up to the outcome of the major United Nations Conferences and Summits in the Economic, Social and Related fields; Agenda Item 113: Follow up to the outcome of the Millennium Summit and Agenda Item No. 149: United Nations Reforms: Measures and Proposals, in order to discuss the progress achieved in the work of the Peacebuilding Commission at the United Nations General Assembly.

New York, February 6, 2007.

Your Excellency, Madame President,

Let me begin by expressing my delegation’s appreciation to you for scheduling this discussion on an important subject, at such short notice. We also thank you, Madame President, the President of the Security Council and the President of the General Assembly; as well as the Chairman of the Peacebuilding Commission, the Chairs of the Country-Specific configurations of the PBC and the Chair of the PBC working group on

Lessons Learnt, for the important statements made, as well as for the very important work they have undertaken.

Madame President, we also thank you for your decision to write to potential donors to seek further contributions to the Peacebuilding Fund, to ensure that the funding target is met. As a contributor to the Peace Building Fund, we welcome your support to the Fund.

I should also like to state our appreciation to the delegation of Jamaica, the coordinator of the Caucus of the Non-Aligned Movement within the PBC, for its diligence and for their statement today. We align ourselves with his statement.

Madame President,

While the statement made by our colleague and friend from Jamaica eloquently encapsulates the collective position of the Non Aligned Movement on this issue, I would like to very briefly explore a few ideas and make a few suggestions in our national capacity, with a view to encourage some introspection.

To start with, it has been of concern to us that since the establishment of the Peacebuilding Commission last year, we have spent a considerable amount of time on "housekeeping issues". Initially, when we were collectively engaged in defining what this body would do and how it would go about achieving its goals, this may have been a valid exercise. However, at this stage, I submit that we cannot continue indefinitely discussing preliminary issues such as reporting responsibilities, participation and operational matters to the detriment of the larger goal of assisting in the consolidation of peace in post-conflict societies. To do so would be to miss the wood for the trees.

Secondly, in terms of procedure and priority, we accept the premise that the Country-Specific Meetings are a crucial element in ensuring that assistance and advice are speedily and effectively administered to candidate countries. However, it is difficult to accept that this 'process mechanism' takes precedence over the Organizational Committee, which is the steering mechanism of the Peacebuilding Commission. But we recognize that there are alternative views on this subject. Therefore, perhaps we should not ask ourselves which takes precedence. Instead, let us ask ourselves the more practical question: how the work of the Organizational Committee and the Country-Specific configurations can be harmonized and made more complementary.

In a similar vein, we believe that the success of the Commission is critically dependent on a harmonious and effective Organizational Committee. To reiterate the metaphor of steering, if 31 pilots argue over a ship's steering wheel, the ship will only run aground. It is therefore our view that we need to change the nature of discourse within the Organizational Committee. To some extent, this can be addressed if there is a larger sense of overarching purpose to our meetings. But over and beyond that, we need to find ways to increase mutual trust, to begin with, by creating a more collegial and consultative approach. The PBSO, the UN Secretariat and indeed, each of the member states on the OC, share a responsibility to do so.

We do not believe that such a broad understanding will be difficult to reach. The statements made last week by a number of partners in the peacebuilding process reflect a belief in the existence of a common ground. In our view, that common ground lies in recognizing that the goal is to assist candidate countries with funding, mobilize donor support and design policies that would consolidate peace. The painful history of the post-world war years illustrates the fragility of peace in post-conflict societies (here Nietzsche has sometimes been proved right – “peace is an interregnum between two periods of war”), therefore all of us equally emphasize the need for expeditious action. Consequently, we hold it self-evident that the Peacebuilding Commission is not merely about donors of money and recipients, but also about provision of advice and policy support, both through ‘learning by example’ and through assistance in designing policies based on the specificities of the society concerned. On the one hand, to really contribute fundamentally and be truly relevant, the Peacebuilding Commission would have to examine in depth and advise on the most urgent problems of today such as how to promote some understanding among a country's regional and ethnic leaders; assess the pace of say economic reform or elections, which, if embarked on too early or at the wrong time, may actually retard institution-building and plunge a country back into civil war. On the other, one size clearly does not fit all and what works in a small and more homogeneous country may not in a large and fractured State. Above all, it is important to focus on whether resources are going to the most important place – institution-building.

We also believe that there is no gainsaying the fact that the lead actor in any post-conflict peacebuilding instance must be the nation concerned. While we welcome inputs from all sections of society, both nationally and internationally, the primary focus cannot but be to strengthen the capacity of a post-conflict State to govern effectively and to mobilize human and

material resources to achieve development. Every other perspective that is provided is useful, but equally, we should recognize that a non-national perspective can only be segmental; useful though they may be, such perspectives can only reflect part of the picture. The appropriate image is a circle whose circumference may run through and encompass many countries but whose centre is in one country.

This brings me to my final point. We believe that we need to renew our focus and our commitment to the larger cause of assisting the candidate countries that are before us. We need to listen more closely to their concerns and react with greater dispatch to their requests. If we do so, in a manner that most directly addresses their concerns, we will not only be able to assist the states concerned in the process of post conflict peace consolidation, but would have also demonstrated the efficacy of this new mechanism that the PBC is. This would have beneficial effects ranging from a more result-oriented discourse within the PBC, to greater donor willingness to assist not only the candidate countries themselves, but also to fund the PBC.

Madame President,

To summarize, therefore: it is our view that the “teething troubles” of which we are wont to speak, can be addressed once we place the larger picture and the overarching goal before ourselves. Once we do so, the debates over what are, in the final analysis, only minutiae, will recede into the background. It is only then that the PBC will come into its own. It is our hope that with the rapid acceleration of the PBC’s work in the coming months, all of us will be able to return to you at the first anniversary of the establishment of the PBC, with a more optimistic report card, and in a more forward-looking frame of mind.

I thank you.



597. Statement by Permanent Representative at the UN Nirupam Sen on 'promoting full employment and decent work for all' taking into account its under-relations with poverty eradication and social integration [Agenda Item 3(a)] at the 45th session of the Commission for Social Development.

New York, February 10, 2007.

Mr. Chairman,

Allow me, on behalf of the delegation of India, to convey to you our warmest felicitations on your election. I would like to assure you of my delegation's full cooperation in the deliberations of this Commission. Our congratulations also to other members of the Bureau. We broadly associate ourselves with the statement made by Pakistan as Chairman of the Group of 77.

Mr. Chairman,

In 1995, the World Summit for Social Development committed all countries to address, in a concerted manner, the challenges of poverty eradication, the expansion of productive employment and the reduction of unemployment as well as social integration. Current indicators on the progress made in each of the above three areas present a dismal picture. No doubt, the global labour force increased by 438 million workers to about 3 billion workers from 1995 to 2005. However, unemployment worldwide rose from 6 % to 6.3 % during the same period. Developing countries continue to register an increase in their unemployment rate; the most glaring has been the case of Africa, in particular Sub-Saharan Africa. It is noteworthy that, despite the increase in GDP growth rates, the unemployment rate continues to rise. Continued dependence on agriculture, high demographic growth, significant increase in youth unemployment and a record toll on the labour force caused by HIV/AIDS continues to make the challenge of full employment and decent work much more difficult in many parts of the world.

There are fears, many well founded, that liberalisation and globalisation are creating an environment that is not conducive to expanding employment, especially in the private sector. Some distinguished economists have argued that rising unemployment is not due to globalisation but as a result of technology. In terms of economic logic, it should not be forgotten that the increasing demand for labour saving technology is inexorably driven by

globalisation with its cost cutting competitive pressures. John Stuart Mill's statement in the 19th century that workers have not benefited from the introduction of machinery seemed to be wrong during most of the 20th century but is beginning to seem right again. However, Luddism is not the answer. What is needed is not computer smashing but computer education and generally investment in education, skills and concerted efforts for a different national and international environment.

Nationally, a partnership between private and public sector as well as social security has to accompany the unleashing of entrepreneurial initiative. Private enterprise mostly finds it difficult to take account of the social costs of unemployment. It is worth remembering that the waste caused by the inefficient allocation of capital is not the only kind of waste. Unemployment can be even more wasteful not just economically but in terms of wasted lives, "so many strong men's courage broken, so many hands numbed as though by nightshade". Externally, globalisation means that inefficient enterprises have to close down under competitive pressure which causes unemployment. The IMF programmes combine encouraging privatisation with high interest rates. This makes job creation more difficult. Sequencing is critical and has often been ignored and hence a fast pace of liberalisation before ensuring social security, training in new skills and an adequate regulatory framework has often created problems. The IMF therefore needs to update and integrate even into its current activity its original Keynesian mandate of providing resources to strengthen aggregate effective demand. One of Keynes's children – ITO – though stillborn had the mandate to prioritise the objective of full employment rather than simply rules and it was recognised that positive action on employment was required because getting prices right, comparative advantage and liberalising trade were not enough to maximise welfare.

Trade barriers for developing countries remain (even the tariffs, in actual terms, imposed by the developed on developing countries are far higher than on fellow developed countries). The job destruction through the inability of many developing countries' farmers to compete, as a result of subsidies in the developed world, is well-known. As India's Commerce Minister famously said, we can deal with a flood of goods coming in but we cannot deal with a flood of subsidies. In fact, the latest report - World Economic Situation and Prospects 2007 – makes the point that one of the reasons why unemployment is not really decreasing significantly in spite of growth is the shift away from agriculture, including from foodcrops. In the case of non-agricultural goods, fair trade liberalisation could have offset the

unemployment-creating effects of liberalised imports because exporters are more productive than non exporting plants and higher exports mean more job creation and less job destruction for the economy but this effect is impeded by what have been described as “subtle trade barriers”.

The conclusion to this argument is self evident: there needs to be a fundamental reform of global economic governance which would ensure changes in voting structure and accountability. The United Nations General Assembly therefore has mandated the ECOSOC in the resolution on its strengthening (61/16) to periodically review international economic policies and these have to include an evaluation of the policies of international economic institutions.

Mr. Chairman,

India has been focusing on promoting full and productive employment and decent work. The Prime Minister of India, Dr. Manmohan Singh, has recently emphasized the ‘need for a growth process that is much more inclusive, a growth process that raises incomes of the poor to bring about a much faster reduction in poverty, a growth process which generates expansion in good quality employment, and which also ensures access to essential services such as health and education for all sections of the community’. He has also stressed that ‘the most effective weapon against poverty is employment’.

Employment growth accelerated to 2.6% during 1999-2005 outpacing population growth. Employment generation, on a sustainable basis, has been one of the important objectives of India’s planned economic development. India’s Five Year Plans have always conceptualised productive employment for all. During the Tenth Five Year Plan (2002-07), particular attention was paid to the policy environment influencing a wide range of economic activities with large employment potential, such as construction, real estate and housing, transport, small scale industries, information technology as well as IT Enabled Services, financial services and tourism.

Mr. Chairman,

India has been implementing various employment as well as self-employment generation programmes, in addition to a number of poverty alleviation programmes. Prominent self-employment programmes for educated and uneducated unemployed people, particularly youth and

women, include *Swarna Jayanti Shahari Rozgar Yojana*, Prime Minister's *Rozgar Yojana*, *Swarnajayanti Gram Swarozgar Yojana* and the Rural Employment Generation Programme. The Prime Minister's Bharat Nirman Scheme on the six critical areas of rural infrastructure would enhance rural economic activities and generate both more incomes and more rural employment.

Another notable initiative undertaken in India is the National Rural Employment Guarantee programme [NREGP] launched in 2006. It makes the right to work a fundamental right by providing 100 days assured wage employment annually to every rural household, and thus creates a social safety net, infrastructure and access to health in rural areas. At least one-third of the beneficiaries of this programme would be women. Productive employment and decent work also depend on higher productivity of labour and enhancement of skills. The Indian Parliament is considering an Unorganised Sector Workers Social Security Bill. This would roll back any commodification of labour. The National Rural Health Mission is striving towards health for all. Pluralism, freedom of speech and association in a vibrant Indian democracy are crucial in satisfying some of the aspirations of working people. Even those occasionally locked out of a private factory are never locked out of political space.

Mr. Chairman,

In conclusion, Mr. Chairman, my delegation welcomes the Secretary-General's affirmation of the need for creating an enabling environment at the international and national level as a key challenge for realising full employment and decent work. We hope that the current session of the Commission for Social Development would provide more insights into the effective realisation of the Millennium Development Goals, particularly to halve extreme poverty by 2015 and foster social integration by making employment a central objective of national and international macroeconomic policies.

Thank you, Mr. Chairman.



598. Statement by Deputy Permanent Representative at the UN Ajai Malhotra at the General Debate of the Special Committee on Peacekeeping Operations.

New York, February 27, 2007.

Mr. Chairman,

India attaches considerable importance to this session of the Special Committee on Peacekeeping Operations. We are confident that you will guide it to a positive outcome and assure you of our full cooperation in doing so. We thank Under-Secretary-General Guehenno for highlighting the priorities in peacekeeping for the coming year and compliment his team for its dedication and hard work. We associate ourselves with the statement made by Morocco, on behalf of the Non-Aligned Movement.

Mr. Chairman,

The report of the Secretary-General (Doc A/61/688) outlines the enormous challenges that have arisen consequent to the unprecedented surge in peacekeeping. There has been a sustained increase in the total number of personnel to nearly 100,000, deployed in 18 peacekeeping operations around the world. These numbers are set to increase in 2007. Moreover, the issues facing peacekeeping today are not only because new missions are being established or old ones expanded, but also due to the volatile and insecure environments in which UN forces have to function, the growing complexity of the difficult tasks assigned to them, and the tools that they are provided with.

We welcome the efforts by the Secretary-General to respond to peacekeeping challenges by strengthening and rationalizing structures in the UN via building military planning, management, and operational capacities, and appreciate his briefings and interactions with Member States. The proposal for realignment of DPKO by creating two Departments - Department of Peace Operations (DPO) and Department of Field Support (DFS) - is substantive, requiring an in-depth examination by Member States in the Special Committee.

While we do not wish to pre-judge the detailed examination of the proposals by experts in this Committee, the recommendations to consolidate important aspects of peacekeeping deserve to be welcomed. Among these are the strengthening of the authority of the SRSG and the Head of Mission to be

the ultimate authority at the Mission level for all aspects of UN operations and support; the holding of the Head of Mission accountable for proper resource management in accordance with established policies and procedures; the consolidation of communication and information technologies so crucial to modern combat; the consolidation of defence procurements through transfer of resources from Department of Management to DFS; the establishment of regional procurement offices; and above all joint senior decision bodies as well as integrated operational teams. We welcome these changes and hope that they will make UN peacekeeping even more tightly-integrated, effective and professional.

Mr Chairman, unity of effort requires clear command, control and reporting structures and arrangements to be in place, beginning with the mission in the field and going right up to the Headquarters. We look forward to the Special Committee on Peacekeeping Operations conclusively assessing the impact of proposed measures against the template of ensuring the overriding priorities of "unity of command and integrity of effort" as well as the "safety and security" of troops.

The safety and security of UN peacekeepers is of vital concern to troop contributors who place their soldiers at risk in pursuance of the UN ideal. The 89 deaths of peacekeepers in 2006, including that of an Indian peacekeeper, Corporal Mohan Singh Gurung, while doing his duty with the UN Mission in Sudan earlier this month, is a reminder of the importance of fully addressing safety and security concerns.

In this context, the UN must also enhance its capacity for information gathering and assessment and sharing it with field units along with concrete recommendations for preventive action. Reliable operational and tactical intelligence is essential for the successful conduct of military operations and in order to pre-empt potential threats to the security and safety of personnel.

UN field operations also continue to be constrained by complex bureaucratic procedures essentially conceived in a non-operational context. The fluid and unpredictable environment confronting UN Peacekeeping Operations, particularly during times of crisis, requires flexibility to adapt quickly to changing circumstances on the ground. This necessitates good logistics planning and close integration of the uniformed and administrative components of a mission. As the tasks of a Head of Mission are diverse and complex, it is important that the Force Commander be provided with operational and administrative flexibility to tackle crisis situations. In this

context, the C-34 should study, and the UN should absorb, the experiences acquired by UNIFIL last summer, when almost overnight that Mission had to establish alternate re-supply lines and casualty evacuation routes while simultaneously ensuring the safety and security of peacekeepers.

Mr Chairman, we would encourage the Secretary-General to also address the issue of consolidation of peacekeeping accounts while undertaking administrative reorganization and streamlining. This would provide an opportunity to tackle the issue of selective financing of peacekeeping missions that is sometimes resorted to. Member States should be entitled to cash surpluses from missions only if they do not have dues to other peacekeeping missions. Such consolidation will help the Secretary-General better manage the finances of peacekeeping missions. It will address the chronic cash deficits faced by some missions, while ensuring more predictable troop cost and contingent owned equipment reimbursements to Member States. It will also help address the concern of developing countries that contribute the overwhelming majority of peacekeeping troops, yet continue to be owed considerable sums of money.

Mr Chairman, India has supported energising the mechanism of triangular consultations between Troop Contributing Countries, the Security Council and the UN Secretariat. Most Member States participating in last week's debate on Reform of Working Methods of Security Council laid particular stress on this aspect. Private Meetings under Resolution 1353 format continue to be held on the eve of renewal of Mission mandates, leaving little scope for serious or meaningful discussions. It is important that TCCs be involved early and fully in all aspects and stages of mission planning and that their views find their way into mission mandates.

We welcome the Secretary-General's efforts to deepen ties between the UN and the African Union. The World Summit in September 2005 had supported the development and implementation of a ten year plan of capacity building with the African Union. India supports these efforts. We share close and historic ties with Africa and are involved in bilateral capacity building in many African countries. Notwithstanding this important capacity building exercise, the UN cannot absolve itself of "its responsibility under the Charter for the maintenance of international peace and security". The real challenge before the UN is to strengthen peacekeeping without regionalising it.

As regards conduct and discipline of troops, we are convinced that sexual exploitation and abuse are totally unacceptable forms of behaviour. We

fully support the implementation of a policy of zero tolerance and encourage raising the awareness of those with managerial and command responsibilities and the establishing of standards of conduct, training and investigation. Careful preparatory training in terms of a multi-cultural, pluralistic and tolerant outlook is as important as subsequent swift punitive action, once culpability is established. We look forward to finalizing the revised Draft MOU and Draft Comprehensive Strategy of Assistance and Support to Victims of Sexual Exploitation.

Mr Chairman, we welcome the establishment of an Integrated Training Service (ITS) and would encourage the Department of Peacekeeping Operations to utilise and benefit from the considerable field expertise of the Troop Contributing Countries.

As regards Security Sector Reform, we must have in place a coherent framework to clarify the various dimensions of the concept. This should take place in relevant UN inter-governmental bodies, especially the Special Committee and the Peacebuilding Commission.

The role of Civilian Police in peacekeeping has grown substantially. We have noted the establishment of initial Standing Police Capacity and look forward to engaging in constructive discussions with the Police Adviser regarding future action with regard to this Capacity and its integration into the UN Peacekeeping structure in the field. We would also like to emphasise the need for adequate transparency in ensuring representation of qualified candidates from Troop Contributing Countries in senior leadership positions.

Mr Chairman, India stands solidly committed to assist the UN in the maintenance of international peace and security. We have a proud history of UN peacekeeping dating back to its inception in the 1950s. We have contributed nearly 100,000 troops, and participated in more than 40 missions. India has also provided and continues to provide eminent Force Commanders for UN Missions. We salute the 113 Indian Army personnel, as well as peacekeepers from other countries, who have made the supreme sacrifice by laying down their lives while serving in UN Missions.

India has also traditionally been contributing lady military and police officers to a number of UN Missions. In response to the Secretary-General's call for increased representation of female personnel in field missions, we feel particularly honoured to have provided the first full Female Formed Police Unit for peacekeeping work. This unit is currently assisting the UN Mission in Liberia in reaching out to the most vulnerable sections of society, i.e.

women and children, in a post-conflict environment, besides performing its normal duties.

In conclusion, Mr Chairman, we are fully committed to the purposes and principles of the UN and look forward to making UN peacekeeping an ever more effective and efficient tool in the maintenance of international peace and security.

Thank you, Mr Chairman.



**599. Statement by Permanent Representative at the UN
Nirupam Sen on the Situation in Afghanistan at the
Security Council.**

New York, March 20, 2007.

Your Excellency, Mr. President,

At the outset I convey the regrets of Ambassador Nirupam Sen, Permanent Representative of India, for his inability at the last minute to address this august body on behalf of India. I have the honour to read this statement on his behalf.

India joins other delegations in congratulating you on your outstanding stewardship of the Security Council for this month. We also thank Special Representative Koenigs and UNDOC Executive Director Costa, for their informative and lucid briefings. For India, given our historic and cultural ties with the Afghan people, today's topic is one of great importance, especially as the Security Council considers extending the mandate of the UN Assistance Mission in Afghanistan (UNAMA).

Mr. President,

The ongoing effort to help Afghanistan emerge from war, strife and privation remains the responsibility of the international community, in particular, the States of the region. Hence, consolidation of the hard-won gains since the fall of the regressive Taliban regime must be a long-term strategic objective for all of us; not merely a tactical maneuver for the present.

At the outset, therefore, the latest report of the Secretary General on

Afghanistan accords well with India's own assessment of the situation on the ground. However, sections of the report on the security situation make depressing reading, not the least of which is the frequent use of the term "insurgents"; to us, this is a euphemism that does not begin to describe extremists and terrorists of the most vicious sort. The report also throws Afghanistan's steady slide into violence into sharp relief. India has consistently held that one cannot negotiate with those who choose the path of terror. Three months ago, India had noted that it was not evident that efforts to find ways of negotiating peace in the more troubled provinces of Afghanistan were succeeding. Sadly, the Secretary General's report and the increasing trend of suicide attacks by terrorists only reinforce this point. Tolerating the spiral of violence is not an option, and a strong, unified international voice condemning international terrorism is the need of the day. We must maintain a robust response to terror, while simultaneously focusing upon the most rapid possible expansion of capacity in Afghanistan to deliver effective governance, development and the dividends of peace. The reason for this prioritization is as simple as it is self-evident: development, good governance and other symbols of democracy are based primarily on peace and stability.

It is in this context that we welcome the completion of the expansion of ISAF, the current strategy of deploying more Provincial Reconstruction Teams, and the effort to expand the capacity and the size of the Afghan National Army and the Afghan Police. It is particularly creditable, as the report notes, that the Afghan Army is taking an active part in combat operations while it is under training, and simultaneously dealing with a situation of "improving" logistics support, administrative institutions and so on. Assistance for the national Budget, to enable a rapid expansion of capacity for the Police and the Army, remains inadequate, and this is a cause for concern. It must be part of the international community's long-term strategy to enable the Afghan state to support appropriately-equipped, well-funded, pan-Afghan institutions of State that exercise the State's monopoly over the use of force. Until there is predictability and irreversibility of this process, it is unlikely that efforts to disband illegally armed groups will be taken forward meaningfully. Until Afghan forces of law and order are not fully empowered, the nexus between drug trafficking and terror cannot be broken.

Mr. President,

This brings us to the question of development. Under normal circumstances,

timetables for reconstruction do not need to be so tightly telescoped, and benefits can be spread thinly and as widely as possible. The situation in Afghanistan however, requires that development follows in the wake of security, and thus, it is occasionally less than even-handed. The example of drug trafficking is particularly relevant. At one level, firm action is required against drug lords and their mercenaries, as well as those who process the raw material. But having taken such action, the effort must be to rapidly follow-up by providing alternative sources of employment to farmers and other unwitting victims of the drug industry. In such circumstances, it is difficult to ensure a fully even-handed approach.

In this context, we note that there is often a tendency amongst donors to seek to resolve all possible problems in the recipient country at once. This is natural, and to an extent, understandable. However, one cannot be prescriptive in providing assistance, as this is often the surest way to alienate the recipients of our good intentions. It is our view that donors must let the Afghan government and people draw up their list of developmental priorities, and these may occasionally differ from our own. Once basics such as food, medicine, shelter and education are provided for, in an atmosphere of relative security, it is natural that the recipients of assistance will want to build upon such gains incrementally.

We should also focus on the many achievements of Afghanistan in the past five years as a case of the glass being half-full, not bemoan the half that remains empty. The Afghan leadership would be the first to acknowledge the existence of corruption, the far-from-complete access of people to Afghan public service institutions and judiciary, its still-evolving political system. But there can be little doubt that given the widespread anarchy of past decades, ongoing campaigns of terror, drought and devastation, whatever has been achieved so far is nothing short of miraculous. The list of chores ahead of the Afghan State merits the widest and most sustained programme of assistance from all of us.

Mr. President,

This brings us to the role of regional and international assistance, and the need for closer and more effective coordination between international organizations and stakeholders in Afghanistan. In this context, I commend the efficacy of the Joint Coordination and Monitoring Board process, which has begun to coordinate the work of an array of international actors from the region and beyond. India is ready to continue to contribute to such an effort. In this context, it is essential to underline that despite the myriad

challenges before us in Afghanistan, the countries of the region cannot but play a larger and more direct role in reintegrating Afghanistan into the region. Indeed, lasting development in Afghanistan will eventually be based on a revival of the age-old commercial, social, cultural and political ties that made Afghanistan the cross-roads of East and West Asia, South Asia and Central Asia.

India is attempting to support precisely such a transformation. India had the honour to join Afghanistan in hosting the Second Regional Economic Cooperation Conference in November 2006 in New Delhi, at which both Prime Minister Manmohan Singh and President Karzai were present. As the incoming Chair of SAARC, we are delighted to host Afghanistan at its first SAARC Summit in early April this year in New Delhi. We believe that this will strengthen regional cooperation, while also enabling SAARC to reach out to Central and West Asia. We also believe that Afghanistan's entry into SAARC will help SAARC address issues relating to transit and free flow of goods across borders, which will lead to greater economic development of Afghanistan and the region as a whole.

Bilaterally, India has continued to make strenuous efforts to support reconstruction in the widest possible spectrum of activities in Afghanistan. Our current commitments exceed US \$ 750 million, and cover the gamut of activities, from large projects such as road construction, power transmission lines, construction and refurbishment of dams, to more locally-relevant projects such as supplying and refurbishing hospitals, schools, community organizations, cold storage plants and so on. We are also mindful of the need to support investment in capacity building, within Afghanistan, and through the provision of over 500 scholarships a year to study in India. It is also our endeavour to ensure that our assistance is widely spread among the regions of Afghanistan.

In conclusion, Mr President, India will endeavour to assist to the extent possible, in every activity that can buttress peace in Afghanistan. We see this as an investment in our region, and as a means of assisting a fraternal people. In all our efforts aimed towards reconstruction and development of Afghanistan, we have ensured close involvement of the Government of Afghanistan and the welfare of its people. With this as our common goal, I reiterate India's abiding commitment to support reconstruction efforts in Afghanistan.

I thank you, Mr. President.



600. Statement by Permanent Representative at the UN Nirupam Sen on Agenda Item 113: Follow up to the Outcome of the Millennium Summit: Report of the Secretary General (A/61/836): Recommendations contained in the Report of the High Level Panel of the United Nations System-wide Coherence in the areas of Development, Humanitarian Assistance and the Environment at the 61st session of the UNGA.

New York, April 16, 2007.

Madam President,

We thank the Secretary-General for his report, A/61/836, on the recommendations of the High Level Panel on UN's System-wide Coherence and you, Madam President, for initiating this intergovernmental process giving us the opportunity to comment mainly on the process of consideration of the report's recommendations but also briefly on the substance. We broadly associate ourselves with the joint statement on behalf of G-77 and NAM delivered by the Chair of G-77.

Madam President,

The report of the High Level Panel covers a broad spectrum of issues, which include the functioning of the UN funds and programmes at the country level, their governance structure, the funding arrangements, the business practices that they employ, the relationship with the Bretton Woods Institutions, strengthening of the UN gender architecture, and a host of other issues.

The contents of the HLP report are complex and technical. Many of its recommendations provide guidance that can only serve as pointers to the directions recommended by the Panel. There is often lack of clarity and detail on the precise operationalization of the recommendations. The Panel has obviously left the details to the Secretariat.

The report of the Secretary-General provides his views and recommendations on some of the elements covered by the HLP report. However, information on operational aspects of specific recommendations of the Panel is not available even in this report. It is a telling comment that even after over five months of the release of the HLP report in November last year, the Secretariat is struggling with the operational details. This

should give us a fair idea of the time that the UN development system would need to invest in implementing the Panel's recommendations. It seems to us a strange preoccupation at the half-way mark for the achievement of the MDGs.

The Secretary-General acknowledges the need for "a process of review and dialogue to build broad-based common understanding of its objectives, contents and proposals". We agree with the Secretary-General that there is much in the Panel's report that needs the development of "common understanding". A good example is the One UN approach itself. In paragraph 12 of his report, the Secretary-General provides some information on how the "one United Nations" approach will be tested. He states that "this exercise will provide an essential test of the application of the principles advocated by the Panel in different countries, and an analysis of the results and experiences will be presented to the relevant governing bodies at the end of the year". As the reports on the eight pilots would become available only by the end of the year, we are unable to understand how we are expected to pronounce on the Panel's recommendations even before the results of these pilots have been made available. Perhaps the logical way to consider this report would be to await the results of the pilots before consideration of the report as a whole is begun.

At the beginning of his report (paragraph 9), the Secretary-General recommends, "the proposals in the report should be pursued as an integrated and coherent whole, as the report was crafted as such with many of the recommendations connected to one another". We agree that the contents of the report cannot be split up for consideration in different parts of the UN. An integrated and coherent approach can be the only option. This, however, does not imply that the recommendations of the Panel come as a package. We believe that it is during the intergovernmental consideration of the recommendations that Member States will decide on the Panel's recommendations that merit further consideration and implementation.

Madam President,

A better performing UN development system is first and foremost in the interest of developing countries. It is the developing countries, who as programme countries, are the recipients of the UN's operational activities for development. We are convinced that the reform of the UN should be aimed at making the system more responsive to the needs of developing countries, through a better delivery and effectiveness of UN development

assistance. Thus, “coherence” is not an end in itself. We are, therefore, convinced that what needs to be measured at the end of the pilots is not just the “how” of the Panel’s recommendations but the “how much”. We need to know how much the UN agencies saved on their transaction costs, how much of their reporting burden was reduced and how much improvement was achieved in the delivery of development assistance to support the efforts of developing countries in pursuing their national development plans and priorities.

While measuring the development impact of improved coordination, and “coherence”, it is also important that we measure the cost incurred to achieve this better performance. We have repeatedly asked for the expenditures incurred by UN funds and programmes on “coordination”. So far, we have learnt that better coordination leads to long-term savings. We would like to see precise figures of coordination related expenditures incurred by the funds and programmes over the years, including the expenditures on the RC system. The HLP report makes further recommendations for enhancing coordination or “coherence”. We would like to know how much this would cost the UN system before we consider the likely benefits that may emerge from these recommendations.

The Secretary General has assured us that due consideration would be given to the High Level Panel’s proposal to establish an independent task force to further eliminate duplication within the United Nations system, and consolidate United Nations entities, where necessary, building on the foundations of the Panel’s work. This exercise would seem to make the parallel process of mandates review undertaken by member States through an informal working group of the GA duplicative.

Madam President,

The details sought by us today as well as those promised by the Secretary General in his report will enable us to carry out a cost benefit analysis during inter-governmental discussions. The TCPR had an optimal balance of the one and the many, creating a synergy while preserving the energy inherent in each separate mandate. Coherence and One UN are not an end in themselves unless we believe with Shelley that “the One remains, the many change and pass”; while stitching a new jacket we should be careful that it does not become a straight jacket. It would be a pity if the UNDP were to lose its role in human development and development policy advice on cross cutting development issues and become a mere coordinator and manager with a diluted focus on development and poverty. Making

human rights a conditionality and losing the substance of the Right to Development would be a poor bargain. The Sustainable Development Board does not seem a sustainable concept: the supervisory role of the member States and that of each executive board in respect of individual mandates of funds and programmes should not be compromised.

The resolution on strengthening ECOSOC was passed after the report was submitted. We need to first implement the strengthened mandates (especially the periodic review of international economic policies which should include the policies of BWIs) before considering alternatives. The most important event in contemporary UN and BWIs is the event that has not happened at all - the reform of the UN Security Council and the reform of the Bretton Woods Institutions. In the shadow of that non-reform which is the source of much fundamental incoherence, systemwide coherence may hardly touch the periphery of real change for the better. It is doubtful if mere administrative and institutional reorganisation can be a substitute for genuine institutional reform.

We hope that you will lead the consultations that would decide about the kind of process that can be adopted to do justice to the consolidated intergovernmental consideration of the contents of the HLP report and the report of the Secretary-General on its recommendations.

Thank you, Madam President.



**601. Statement by Permanent Representative at the UN
Nirupam Sen on the Relationship between Energy,
Security and Climate at the UN Security Council.**

New York, April 17, 2007.

Your Excellency, Madam President,

Please accept our warmest congratulations to a fellow Commonwealth country on having the Presidency of the Council and our appreciation of the manner in which it is conducting the proceedings. We are delighted that you are personally chairing today's discussions. Climate change issues loom large in today's global environment agenda. This issue was in the forefront in 1992 when it was included on the agenda of the Rio Summit on Environment and Development. Consideration of climate change received much-needed momentum with the adoption of the United Nations Framework Convention on Climate Change and, thereafter, through the Kyoto Protocol agreed in 1997. The international community needs to be vigilant to moves that would "make global warming [debate on climate change issues] cool again".

2. We have read with interest and attention the UK Concept Paper on Energy, Security and Climate. We must confess, with all respect, that we have some major conceptual difficulties. We of course know the obvious: climate change is not a threat in the context of Article 39, nor can we contemplate Article 41 measures! High per capita carbon emitters are in debt to those with low per capita carbon emissions because they are exploiting much more than their share of environmental space, space in the carbon sink that does not belong to them. An international economic system that has historically been based on externalizing the consequences of pollution is both unjust and impracticable. The main responsibility to take action to reduce the threat of climate change rests with the developed countries, in accordance with the principle of common but differentiated responsibility, as enshrined in the United Nations Framework Convention on Climate Change. In this topsy-turvy world, just as the Swiss linear formula in the WTO demands more than full reciprocity from developing countries, so also a careful reading of the Stern Report suggest that between now and 2050, all the GHG abatements proposed would take place in developing countries with developed countries taking credit for GHG reduction effected solely

by commercial investments with the increased cost of the energy service being borne by the developing countries and CDM type transfers of credits. This would negate the present global Compact on Climate Change, affect growth in developing countries and increase insecurity.

3. The Stern Report has been read with interest in India. It cites Richard Nordhaus extensively. Neither he nor Prof. Stern have overcome the uncertainty in and difficulty of calibrating catastrophic scenarios. In fact strong uncertainty is ignored. The result therefore is to present a political argument as the outcome of an objective scientific modelling process. Nordhaus himself has concluded that the Stern review is "a political document". That this objection applies equally to Nordhaus's work only makes it more telling. These catastrophic scenarios therefore cannot be treated as threshold events that are known in the real meaning of the word. Hence their possible consequences in terms of border disputes, migration, energy supplies, societal stress and the like can hardly be discussed in any meaningful manner.
4. In marked contrast, a more immediate and quantifiable threat is from possible conflicts arising out of inadequate resources for development and poverty eradication, as well as competition for energy. The concerns of developing countries centre on poverty eradication, a pre-requisite for which is to accelerate growth in developing countries. In turn, by mitigating the potential for conflict, poverty eradication has positive implications for global peace and security. Reduction of greenhouse gas emissions in developed countries also has a potentially significant positive impact on security, by moderating the impetus for privileged access to energy markets. Efforts to impose greenhouse gas commitments on developing countries would simply adversely impact upon the prospects of growth in developing countries. On the other hand, cooperation of developing countries through the carbon market would be conducive to their growth. However, a pre-requisite for GHG abatement in the carbon market is enhanced, legally binding commitments by developed countries. Considered solely in the context of climate change, poverty alleviation is dependent on climate change adaptation measures. Far more important than an uncertain international security threat is the existential threat to many small island developing states and it is, therefore, crucial to mobilize resources and technology for immediate adaptation measures there.

5. To tackle the problems that may lead to conflict, action is required on resource flow, adaptation and technology. Diversion of ODA resources from economic growth and poverty eradication in developing countries is not the answer. Besides new and additional resources, there is need to upscale the realization of resources from the carbon market. Equally there is a need to reach an agreement on IPRs for affordable access to technologies as well as for collaborative R&D to develop technologies based on the resource endowments of developing countries.
6. Energy is a critical input for development. For developing countries, a rapid increase in energy use per capita is imperative, if national development goals, and the Millennium Development Goals, are to be realized. It is essential that developing countries have the policy space to address their energy needs in the light of their individual circumstances. Concerns over energy security have heightened with the recent sharp increase in energy prices. This has resulted in a renewed focus on energy diversification and efficiency. All significant energy sources – whether conventional or advanced fossil fuels based, or renewable, or clean energy—must remain in policy reckoning to address energy needs for sustainable development. At a conference in New Delhi earlier this year on Mahatma Gandhi's idea of non-violent resistance, one of our leaders said that "To be equitable, economic growth has to be sustainable. To be sustainable, economic growth has, in turn, to be all inclusive. It is actually 'sarvodaya' or 'the rise of all'. Mahatma Gandhi insisted that such a rise must be respectful of land in harmony with nature and the earth's long term future". For those delegations who are interested, I am appending some facts on India's implementation of sustainable development.
7. The appropriate forum for discussing issues relating to Climate Change is the UNFCCC. In so far as international peace and security are concerned, developed countries reducing their GHG emissions and energy consumption will considerably reduce such threats through a reduction in the need for privileged access to energy markets. Nothing in the GHG profile of developing countries even remotely reflects a threat to international peace and security, yet their taking on GHG mitigation targets will adversely impact their development (the best adaptation to the adverse impact of Climate Change) and thereby increase insecurity. Conceptually and logically even if one assumes that catastrophic scenarios are certain (which

is not the case) the only way to discuss what can be done about the physical effects of Climate Change is in the UNFCCC. The UN Security Council does not have the expertise and may not have the mandate: to make an uncertain long term prospect a security threat amounts to an informal amendment of the Charter. This can only be done through Article 108/109 procedures. While preventing a far reaching adverse change in the climate of the world we have to promote a far reaching change for the better in the climate of the Security Council. This too requires Article 108/109 procedures.

I thank you Madam President.

**Appendix
(With reference to Para 6 of the Statement)**

- India's current per-capita GHG emissions are only 23% of global average, 4% of the US, 12% of EU, 15% of Japan.
- India, with 17% of the population of the world, has only 4% of global GHG emissions
- India's energy intensity of GDP has reduced from 0.30 kgoe per \$ GDP in PPP terms in 1972 to 0.17 kgoe per \$ GDP in PPP terms in 2003; this is marginally better than that of Germany.
- There has been effective delinking of energy sector growth from economic growth. In recent years India has delivered a GDP growth of 8% per annum with only 3.7% growth in its total primary energy consumption.
- In all the major energy intensive sectors – steel, aluminium, fertilizer, paper, cement, levels of energy efficiency are at global levels. Especially in the cement sector, the energy efficiency of Indian plants are among the world's highest.
- In all the major energy intensive sectors – steel, aluminium, fertilizer, paper, cement, levels of energy efficiency are at global levels. Especially in the cement sector, the energy efficiency of Indian plants are among the world's highest.
- The share of renewables in total primary energy is still at 34%.



602. Statement by Deputy Permanent Representative at the UN Ajai Malhotra at the 29th session of the Committee on Information.

New York, May 2, 2007.

Mr. Chairman,

At the outset, kindly accept my congratulations on your election as our Chair. Please do also convey our best wishes to the other office bearers on the bureau, upon their election.

I would also like to take this opportunity to acknowledge the outstanding contribution made by the previous Under-Secretary-General for Communications and Public Information, Mr. Shashi Tharoor, and to warmly welcome his successor, Mr. Kiyotaka Akasaka, and convey to him our very best wishes for every success in his important new assignment.

Our welcome also goes to the delegations of Thailand and the Dominican Republic, the two new members of this Committee. My delegation also aligns itself with the statement of the G-77, delivered earlier by the distinguished representative of Pakistan.

Mr. Chairman,

This debate provides an occasion to reiterate the central concerns of Member States over the process of dissemination of information. For us, the defining characteristic of the work of this Committee lies in its relationship with the Department of Public Information, and the ensuing cooperative effort to continually improve upon the delivery of relevant information inputs to millions of potential users across the world. Against this backdrop, I would like to briefly touch upon the following points of interest to my delegation:

Perhaps the most important issue we need to focus on is how to make the work of the Department of Information as relevant and accessible as possible to the largest number of users, enabling it to be an effective conduit for the flow of information between the UN and the peoples of the world. For this, it is essential that the widest possible spectrum of technologies be utilized. This includes the use of modern technologies, such as webcasts and podcasts, as well as cost-effective and more traditional forms of communication, such as the radio and print media, which remain of great

importance in reaching out to people in parts of the developing world. Many countries simultaneously straddle several centuries in technological terms, and it is vital that the product presented by DPI is disseminated through a wide menu of media channels. While we appreciate the efforts made so far in this regard, we believe that there remains room for further improvement.

We also fully support the effort to facilitate the emergence of a more linguistically equal world, in which information is disseminated not merely in the official languages of the UN, but also in other languages. There is also merit in increasing the level of local content and local involvement in the production of programme material. Doing so will have the advantage of making information more relevant locally, while simultaneously encouraging local talent and creativity to involve itself in the work of the UN.

A related issue, Mr. Chairman, is the question of UN Information Centres, which are crucial in enhancing the public image of the UN and in disseminating its message, particularly in the developing world. We agree with the view expressed by many delegations that our goal should be to strengthen, rather than weaken, these information outposts of the United Nations. Hub and spoke models may appeal in certain managerial contexts, where local sensitivities and regional variations need not be important. However, it makes little sense to employ them in a people-intensive sector such as the media.

The argument in favour of a more relevant outreach effort by the UN is also related to the larger objective of creating more locally relevant content and greater local involvement in the work of the United Nations. This should logically also be a larger objective of the UN, since the UN will in turn become more widely relevant by virtue of being more locally accessible.

We also need to dwell on the issue of content management. We appreciate the work being done to provide information that is relevant and meaningful, while simultaneously being interesting and entertaining. This is no easy task, and efforts made in this direction have been highly creditable. However, those working on content management should never be satisfied with the status quo, but should be motivated by a constant desire for further improvement. While it is important that the DPI's programmatic products continue to cover the gamut of UN activities, such products must also improve their coverage and projection of the most significant activities of the UN, in particular, those that impact most upon the lives of people. These include humanitarian activities and the work performed, often under extremely arduous circumstances, by those who serve the UN by keeping

the peace in strife-torn lands. We would continue to urge that DPI and DPKO work in tandem to further raise awareness about UN peacekeeping and highlighting peacekeeping success stories. This would go a long way towards generating goodwill and projecting a better image for the UN and its peacekeepers, both locally and globally. In this context, we welcome the creation of a Joint Public Information Working Group on developing an overall strategy to increase awareness of the achievements and challenges of UN peacekeeping. We look forward to being kept informed about its efforts.

In conclusion, Mr Chairman, I would like to assure you of India's support as you guide the work of this Committee, as also of our support to the DPI as it tackles the formidable challenges before it.

Thank you, Mr. Chairman.



**603. Statement by Permanent Representative at the UN
Nirupam Sen on Agenda Item 46: Follow up to the
Outcome of the twenty-sixth special session:
Implementation of the Declaration of Commitment on HIV
Aids at the 61st session of the UNGA.**

New York, May 21, 2007.

Madam President,

We thank the Secretary-General for the useful report focussing on the progress made since the High-Level Meeting on HIV/AIDS a year ago. The report provides a good overview of the most recent developments in the global AIDS response and serves as a useful interim assessment for the more comprehensive review next year.

Madam President,

A lot of progress has been made in recent years in dealing with the HIV pandemic. There has been a renewed concern among donor countries who have mobilized resources for countries affected by HIV/AIDS. The Global Fund, set up a few years ago has pledged assistance of over \$ 10 billion to over 130 countries to fight HIV, Malaria and TB. The affected countries have in turn laid strong foundations for giving an effective response

to this epidemic. Steps have been taken by national governments to raise domestic resources to expand access and strengthen the implementation of the various initiatives under the HIV/AIDS control programmes.

Yet, what has been achieved so far falls short of what needs to be done. While 2 million people in low and middle-income countries were receiving antiretroviral therapy, 2.9 million people died from AIDS in 2006. The Secretary-General identifies some important areas. These include the need to prevent new infections through keeping the preventive efforts at par with the epidemic's growth, national target setting, and a move from working on an emergency footing to a longer-term effort to lay the groundwork for sustainable progress. The Secretary-General rightly highlights the need for enhanced resources particularly international funding for public health and development, as many countries, especially low-income countries, cannot achieve universal access goals without external resources.

Madam President,

India remains a low prevalence country with overall HIV prevalence of 0.9 percent. However, we are cognizant of the gravity of the problem and the urgent need for a strong commitment to reverse its further progression, as the epidemic masks several sub-epidemics. Moreover, with India's large population, this low percentage converts into a large number of HIV infected people. A young, mobile population coupled with rapid economic and social transformation that India is undergoing add to the complexity of the HIV/AIDS epidemic. The last few years have seen the epidemic moving from high-risk groups to the general population with women, youth and the rural population being highly vulnerable.

India is making significant progress in addressing the challenges posed by the HIV epidemic. Integrated with the National Rural Health Mission, our flagship programme for addressing inequities in accessing health services in rural areas, the HIV/AIDS strategy seeks to balance prevention with the continuum of care and treatment. With prevention as the key, the strategy focuses on expanding access to preventive services.

The National AIDS Control Organisation (NACO) has developed a clear and effective response for every segment of the community, highlighting that each individual is at risk and that prevention is the key. NACO has been engaged in scaling up its programmes through Targeted Interventions for High Risk Groups, strategizing comprehensive Information, Education and Communication packages for specific segments and scaling up of the

service delivery component. The 3 million elected representatives of the local self-governments at the village level, including a million women, are being involved in the effort, as are a large number of NGOs. There is increased focus on women and youth and enhanced emphasis on widespread awareness campaigns to increase awareness about the disease and its preventive methods.

To facilitate a strong multi-sectoral response to combat HIV effectively, a National Council on AIDS (NCA) headed by the Prime Minister of India, and consisting of cabinet Ministers and leading civil society representatives, has been constituted. Under its direction, a multi-sectoral response is underway, involving participation of the private sector, civil society and key Government Departments.

Research and development efforts on HIV/AIDS remain strong. In view of their enormous potential, vaccine development initiatives continue, and the fruits of these efforts should be available in a few years. Two centres of excellence set up at the National AIDS Research Institute in Pune, Maharashtra and the Tuberculosis Research Centre in Chennai, Tamil Nadu have been engaged in clinical evaluations and trials. A prototype of candidate vaccine based on DNA and MVA has also been developed for HIV-1 subtype 'C' at the All India Institute for Medical Sciences, New Delhi.

Madame President,

India's first National Paediatric Programme on HIV/AIDS was launched on 30th November 2006 to enhance coverage of Children Living with HIV/AIDS and providing them specific paediatric formulations. Close to 3500 children are receiving treatment in paediatric formulations. Paediatric drugs have been provided to 86 ART centres and arrangements are being made to supply to the rest of the centres.

NACO also organised a series of events on World AIDS Day 2006, which included:

- An address by the President of India to both Houses of Parliament to reassert their commitment to fight against the HIV epidemic.
- Release of a special postage stamp to commemorate the Day.
- A cultural show with popular film personalities and singers, committed to HIV/AIDS prevention.

- Broadcast of a 30 minute special programme in 24 languages from 174 stations of the All India Radio.
- Press advertisement highlighting the commitments and achievements of the National AIDS Control Programme.

Madam President,

India is a source of low priced and effective essential drugs for several countries in the developing world. Indian pharmaceutical companies have been able to obtain US FDA approval for over 14 drugs, which will further ease the availability of affordable drugs.

We have come a long way since we committed ourselves to goals related to the HIV pandemic. In the moving words of one of our leaders, HIV is “a most deadly scourge, a disease that is not a medical or a scientific subject alone but a poignant social issue as well”. India is fully committed to zealously responding to the HIV/AIDS pandemic in a multi-pronged, multi-sectoral and multi-dimensional way.

Thank you, Madam President.



604. Statement by Joint Secretary (Technical Cooperation) of the Ministry of External Affairs Ms. Primrose Sharma on South-South Cooperation for development at the 15th session of the high-level Committee on South – South Cooperation.

New York, May 29, 2007.

Mr. President,

We congratulate you and other members of the Bureau on your election and thank the outgoing Bureau for the work done over the last two years. We broadly associate ourselves with the statement delivered by the Chair of the Group of 77.

The countries of the South have seen dramatic progress over the last twodecades despite the many continuing challenges, including those posed by a globalising world. Today, there are hardly any goods or services needed

in the South that cannot be sourced from the South itself. As developing countries move towards market-based economies, in an era of globalization that has not brought the expected economic benefits to every country, cooperation amongst them remains relevant. This can help in mitigating the adverse effects of international economic policies and to achieve the positive potential that these forces of integration have in them for the developing world. It is, therefore, not surprising that the share of developing countries in total world trade has risen in the last two decades and that intra-South trade has been growing. Developing countries need to continue working together to overcome their shared vulnerabilities and disadvantages and to maximize the benefits that would accrue to them from the process of globalization.

Countries in the South also need skills and expertise in high technology areas and for expanding mechanisms for transferring experiences in the development of human resources. In the past two decades scientific and technical competence has grown substantially in countries of the South to create significant complementarities between them. What is required is the will and the investments to put these complementarities to productive use.

Mr. President,

Our discussion in this High Level Committee is focused on “the Role of the United Nations in Strengthening South-South and Triangular Cooperation”. The UN, with its universal membership, is uniquely placed to play an important role on the debate on globalization and the development of an equitable and inclusive world economy. The report of the Administrator informs of the continuing support extended by UNCTAD for South-South trade by providing a forum for developing countries to address the consequences of globalization. UNCTAD makes a useful contribution by disseminating advisory services, policy research and analysis.

One of the practical areas where UN funds and programmes can make a tangible and immediate contribution is through UN operational activities for development. By using Southern expertise and procuring from the South, that which is needed for implementing their development programmes in developing countries, UN funds and programmes would help develop capacity within the South, in the implementation process itself. This would further stimulate South-South Cooperation. UN funds and programmes can also serve as reservoirs of experiences and best practices within the South and facilitate the exchange of these best practices. Given the common development experiences of developing countries, experiences from within

the South are more likely to be relevant to each other. The decision of the UNDP Executive Board in 2004 to include South-South Cooperation among the drivers of development effectiveness in the Multi-Year Funding Framework was, therefore, timely.

The preparation of a roster of Southern experts needs to be speeded up. As only 22 UNDP country offices reported that there is increased national interest in South-South Cooperation, there is need to get the other country offices to participate in such exchanges. UNDP needs to work on the bottlenecks identified in the Report, through additional support to South-South cooperation and increased involvement of the Country Offices to address the gaps. Given the importance of mainstreaming South-South Cooperation in UN operational activities, the Special Unit should continue its activities in the existing arrangements and with the current structures and level. What is needed is greater commitment from UNDP and other funds and programmes to use the capacities, expertise and experiences of the South in addressing the challenges facing the South, rather than the creation of high level positions.

Mr. President,

India has believed in the imperatives of South-South Cooperation since its independence. This inspired us to establish cooperative technical and economic links with a very large number of developing countries. A deliberate and systematic effort has been undertaken to spread the reach of our South-South cooperation activities to different regions of the globe. The Indian Technical and Economic Cooperation or ITEC, which was launched in 1964, has provided over US \$3 billion worth of technical assistance covering 156 developing countries. It is also this commitment that drives India's cooperation with NEPAD, and the TEAM-9 initiative focussed on West Africa. Work is underway on implementing India's initiative for a connectivity mission in Africa to support tele-education, tele-medicine, e-governance, infotainment, resource mapping and meteorological services, across the continent.

There is also growing cooperation between India and the Pacific Island Forum and the CARICOM countries. India's "Regional Assistance Initiative" for Pacific Island Forum members, would, over the coming, years implement a wide-ranging package for Pacific Island countries, covering sustainable development, SME and capacity building through workshops and training courses, scholarships for higher studies etc. Cooperation with CARICOM countries ranges from provision of higher education in India, experts for

flood forecasting/ disaster management, establishment of IT training Centres and infrastructure. The initiative undertaken by Brazil, India and South Africa, the IBSA initiative, is another manifestation of our commitment to South-South Cooperation. IBSA has undertaken a project each in Africa and Latin America and more are in the pipeline.

One of the challenges that developing countries face is that of inadequate capacity. India has therefore, engaged in sharing with other developing countries, expertise in areas of its excellence. India has been cooperating with its fellow developing countries for a long time. Since 2004 concessional lines of credit amounting to US \$1.4 billion have been approved for disbursement and a further US \$850 million are in the pipeline. The soft credit has been extended for infrastructure development, like water supply, power and transmission projects, irrigation, construction of roads and railway lines, supply of equipments such as tractors, pumps, etc. to farmers as well as pharmaceutical plants. The cooperation extended by India helps in capacity building in developing countries, thus, leading to South-South partnerships.

Over 6000 participants from developing countries receive training annually in India in over 250 institutions and universities, with many of them gravitating towards hi-tech areas such as IT. An increasing number of Indian experts are deputed to other developing countries in meeting developmental challenges. India has set up projects relating to vocational training in several partner countries in Asia and Africa for promoting IT and SME, the sectors in which India has significant strengths, as well as Entrepreneurship Development Centres in South-East Asian countries. We have now expanded our capacity building cooperation efforts to such contemporary issues as special courses for capacity building in the WTO for African diplomats and officials, on SMEs for equity fund and private managers, and for African cotton exporters, as also in environment related fields, among others. India is increasingly being requested to assist in the agricultural field. As the foremost milk producer in the world, the Indian dairy industry has, of late, become a focus of interest under our South-South Cooperation programme. India is a strong advocate of collaboration in regional projects, particularly in areas such as infrastructure, poverty alleviation and dealing with cross border challenges such as natural disasters, pandemics like HIV AIDS, and Avian Flu, and terrorism in all its forms and manifestations. India has offered US \$ 100 million for the SAARC Development Fund (SDF) to be utilized for projects in other SAARC countries on poverty alleviation once the SDF, with its three windows – Social, Economic, and Infrastructure - is operationalised.

Mr. President,

The biennial meetings of the High Level Committee provide a useful opportunity for highlighting the issues and concerns of developing countries in their quest for developing their economies and their search for an equitable and inclusive world economy. South-South Cooperation is a very useful vehicle for the development of capacities within the South. We hope to receive strong support from the UN system for South-South Cooperation and also in facilitating triangular cooperation by bringing in resources from the North for cooperative programmes amongst countries of the South. Much remains to be done and we would encourage UNDP and the Special Unit for South-South Cooperation located within it, to make more concerted efforts in furtherance of South-South Cooperation.

Thank You, Mr. President.

**605. Statement by Permanent Representative at the UN
Nirupam Sen at the informal meeting on Revitalization
of the General Assembly at the 61st session of the UNGA.**

New York, June 12, 2007.

Mr. Co-facilitator,

We thank the co-facilitators for their work resulting in the draft resolution for today's discussion. We recognize the enormous effort invested in the process of widespread consultations, including bilateral interviews, roundtable interactive debates, as well as written responses sought through a questionnaire. The process has been democratic and inclusive and geared to hearing the views of every delegation represented in this august body. The co-facilitators have brought both idealism and energy to their task.

The resolution emerging from these consultations contains ideas that appeared to have the most widespread acceptance. New ideas or further movement on accepted ideas can emerge only from reflection upon what is currently available, followed by negotiations, consisting of several rounds of informal informals. After some important amendments necessary to ensure conformity with the Charter and recent agreements, we can consider the draft resolution as a basis for our work. However, if we have to move

beyond agreed language and build upon progress made in the 60th UNGA, as perhaps implied by Ambassador Badji, we feel that such informals would have to be held.

Mr. Co-facilitator,

We broadly associate ourselves with the statement made by Algeria on behalf of NAM.

The starting point in this discussion can be the language used to express agreed concepts. Paragraphs that reflect agreed principles or reflect ideas agreed recently would be best expressed in language derived from previous resolutions. This is simply a practical thing that would facilitate forward movement. The reason is that agreed language, though not the most creative, does represent the balance that we have been able to achieve in the past. It is also not our intention to redefine the role or functions of the GA. We do not need to try to reinvent the wheel, especially when the wheel comes from the Charter. However, the further task, if we all so desire, is how to ensure that the wheel does not spin in one place but actually advances.

As the purpose of this exercise is not to rewrite the Rules of Procedure, we would prefer that language on the role of the General Committee be consistent with the Rules of Procedure or be taken from agreed language of the recent past. Ops 3 and 7, in particular should be made consistent with the Rules of Procedure, while OP 5 can be deleted. OP 8 contains a mix of two ideas. The first part regarding the level of participation in the GA is a decision that is the prerogative of each delegation, while the second part on time limits for statements is inconsistent with para 73 of the Conclusions of the Special Committee on the Rationalization of the Procedures and Organization of the GA.

It is necessary to remember that we are engaged in this exercise to strengthen and revitalize the General Assembly. The improvement in the procedures and working methods of the GA are only the first step. They are a means to an end, not an end in itself. The revitalization process must focus on substantive measures to restore and enhance the role and authority of the GA, including in the maintenance of international peace and security; as the chief oversight organ; deciding on management and procurement for peacekeeping operations, among others, as provided for in the Charter. This can not be done by giving flexibility to the Secretariat over issues that are in the domain of the GA as the chief oversight organ. We would seek

deletion of OP 21 giving more flexibility since this issue has not found favour with the majority of Member States in the Fifth Committee.

It is in the same context that we would suggest changing the title and reordering the contents of Annex B. By combining the role of the GA and its working methods in the same section, the impression created is that the role of the GA is determined or influenced by its working methods. In GA resolution 60/286, as also in 59/313 and 58/126, the cluster on the role of the GA deals with the "role and authority of the GA". Working methods of the GA are dealt with in a separate cluster in all three resolutions, while 58/316 is devoted almost entirely to the working methods of the GA and the Main Committees. Annex B should, therefore, be appropriately renamed and its contents reorganised.

The President of the GA can play an important role in the process of strengthening and revitalizing the GA. Recent resolutions have, therefore, focussed on strengthening the role and leadership of the PGA. The PGA's Office has been strengthened by providing additional staff and other measures have also been agreed to. It is now time to assess the usefulness and adequacy of the several measures adopted. We do not believe that this resolution can pronounce on the budget for the PGA's Office. That is an issue for the Fifth Committee to consider. However, the draft resolution includes an interesting proposal to change the procedure for the election of the PGA. We would not like to take away (in fact we would like to reaffirm) the prerogative of the regional groups in the election of the PGA and would therefore suggest that OP 21 be amended so that the same country is encouraged to propose more than one candidate. We do not believe that this would deter Foreign Ministers from coming forward: after all Presidents and Deputy Prime Ministers have not hesitated to enter the contest for the post of Secretary-General and they have not been selected.

Annex D on selection of the Secretary-General seems to be back-tracking on what has already been agreed. Resolution 60/286 adopted towards the end of last GA, devotes Cluster II to a substantive and detailed consideration of the process of selection of the SG. Apart from recalling Article 97 of the Charter, it draws from relevant resolutions, namely 11/1 and 51/241. It calls for the process to be made more transparent and inclusive of all Member States, provides for consultations with all Member States by the PGA to identify potential candidates, as well as for presentation of views by the candidates to all Member States of the GA. Given that the process of selection of the SG has only recently been concluded, the need for this

section of the draft resolution may be questioned by some. However, we believe that it is necessary to discuss this issue now that we have the advantage of distance from any imminent change in the SG's office. However, further movement or progress on the agreed language can only come out of negotiations.

We reiterate the questions already posed by NAM on the issue of implementation of resolutions. We need to focus on why some of the provisions of previous resolutions on GA revitalization have remained unimplemented. In this context, we request that para 23 be changed to reflect the language of OP 2 (c), (d) and (e) of resolution 59/313. The language as currently drafted is not in keeping with Article 15 of the Charter.

Mr. Co-Facilitator,

We are aware of the strenuous efforts that have been invested in the process of preparing this draft resolution. We respect the democratic process that you have adopted. However, further progress on this important issue can emerge only out of serious negotiations. In the meantime, we hope that distortions that have crept into the language would be rectified so that we do not contradict the Charter, nor backtrack on recent agreements. To summarise the conclusion, let me refer to the metaphor of the page of the journal which should certainly be in conformity with the directives of the GA; however if we change the correlation of forces then the page would change by itself and remain changed.

Thank you, Mr. Co-Facilitator.



606. Statement by Minister of State Anand Sharma while introducing the draft resolution on “International Day of Non-Violence” at the UNGA.

New York, June 15, 2007.

Madam Chairperson,

I have the honour to introduce, under Agenda Item 44, the draft resolution contained in document A/61/L.62, entitled “International Day of Non-Violence”. Apart from the 114 co-sponsors named in the L.62 document, I have the pleasure to inform that a further 26 Member States have also joined as co-sponsors, giving this draft resolution a total of 140 co-sponsors.

Madam Chairperson,

The idea of promoting such a resolution originated from the Declaration adopted at the international conference on "Peace, Non-Violence and Empowerment – Gandhian Philosophy in the 21st Century" convened in New Delhi in January this year to commemorate the centenary of the Satyagraha Movement launched by Mahatma Gandhi in South Africa. Attended by representative leadership delegations of 91 countries and 122 organisations besides many eminent personalities, including philosophers and Nobel laureates, the participants in that Conference solemnly vowed to nurture the values espoused by Mahatma Gandhi and articulated the collective yearning for a new way forward to address the problems of hunger and dehumanising poverty, which continue to plague humanity, to build a just and equitable world where people live with dignity and in peace and harmony with each other in diverse and pluralistic societies.

Madam Chairperson,

The wide and diverse co-sponsorship of this draft resolution reflects the universal respect that Mahatma Gandhi commands and the enduring relevance of his humane philosophy. In his own words, “Non-violence is the greatest force at the disposal of mankind. It is mightier than the mightiest weapon of destruction devised by the ingenuity of man”. His “novel mode of mass mobilisation and non-violent action” brought down colonialism, strengthened the roots of popular sovereignty, of civil, political and economic rights, and greatly influenced many a freedom struggle and inspired leaders like Badshah Khan, Nelson Mandela, Martin Luther King Jr. and many others.

This draft resolution seeks to declare Mahatma Gandhi's birth anniversary, October 2, as the International Day of Non-Violence. By doing so, we would be highlighting the holistic nature and the continued relevance of the Mahatma's message for our times, indeed for all times to come. It encompasses the rejection of violence against oneself, against others, against other groups, against other societies and against nature. Non violence, in his own words, "has no room for cowardice or even weakness". It also "necessitates complete abstention from exploitation in any form".

Madam Chairperson,

The draft resolution before the General Assembly is simple but significant. Tabled under the agenda item 'Culture of Peace', it reaffirms in its preambular paragraphs the universal relevance of the principle of non-violence and seeks to secure a culture of peace, tolerance, understanding and non-violence. Vide its first Operative Paragraph it decides to observe and celebrate October 2 every year as the International Day of Non-Violence. Its second Operative paragraph invites all Member States, the UN system, regional and non-governmental organisations, to commemorate the day in an appropriate manner and disseminate the message of non-violence, including through education and public awareness. It also requests the UN Secretary-General to recommend ways to assist Member States in organising activities to commemorate the Day, to take necessary measures to observe the Day by the UN system, and to keep the 63rd session of the UN General Assembly informed about the implementation within the UN system of the present resolution as regards the observance of the International Day of Non-Violence.

Madam Chairperson,

Promoting the principle of non-violence in such a focussed manner would, it is hoped, significantly contribute to the realisation of the goals set out in the 1999 UN Declaration and Programme of Action on a Culture of Peace. The designation of October 2 as "International Day of Non-Violence" would also advance the implementation of the goals of the International Decade for Culture of Peace and Non-Violence for the Children of the World [2001-2010].

Madam Chairperson,

While concluding, I would like to thank each and every one of our co-sponsors and supporters for helping us pilot this resolution at the UN General

Assembly. It is also the hope of the co-sponsors that this draft resolution would be adopted without a vote.

Thank you, Madam Chairperson



**607. Statement by Permanent Representative at the UN
Nirupam Sen at the informal consultations of the
plenary on the UN High Level Panel Report:
Humanitarian Assistance.**

New York, June 20, 2007.

Mr. Co-Chair,

We thank you for organizing the informal consultations on the section on humanitarian assistance in the report of the UN High Level Panel on System-wide Coherence. We congratulate you on your appointment as Co-Chairs. Your two colleagues in the case of UN Security Council reform were only given the title of persons. Possibly the implication was that the majority should try to be as close to being non-persons as possible. Since you are Co-Chairs and not just persons, we hope that this would not be the aim of the System-wide coherence reform. We need to ensure that we do not seek to ameliorate humanitarian disasters through an institutional disaster. System-wide coherence should not obliterate particularities through a post-post modernist dystopia. We support the positions expressed by the Joint Coordination Committee of NAM and G77. As a country contributing to CERF and to disaster relief in our region, permit me to make a few observations.

These informal consultations come not a moment too soon. We are currently engaged in the preparations for the ECOSOC and are discussing the draft of the UNDP Strategic Plan. The recommendations of the HLP report touch upon areas covered by both these processes. The draft UNDP Strategic Plan draws upon the ideas contained in the HLP report. UNDP has proposed that it should be adopted in September 2007. If the Plan is adopted as proposed, there would be little point in discussing those sections of the HLP report that would have been incorporated in the Plan. Our discussions would then amount to trying to lock the barn door after the horse has bolted.

Mr. Co-Chair,

As with the other sections of the report, we have several questions on the section pertaining to humanitarian assistance. While some of the report's recommendations are not in keeping with existing intergovernmental agreements, others need further clarification. At the beginning of any discussion on UN humanitarian assistance we need to recall GA resolution 46/182. The annex to this resolution provides the Guiding Principles for the provision of UN humanitarian assistance. While emphasizing the importance of humanitarian assistance to the victims, the Guiding Principles recognize the need to fully respect the sovereignty, territorial integrity and national unity of States. They recognize that the affected State has the primary role in initiation, organization, coordination and implementation of humanitarian assistance within its territory. The Panel appears to have overlooked these Guiding Principles when it recommends the coordination and leadership role of the Emergency Relief Coordinator at the global level and the humanitarian coordinators at the country level. In line with the above, we do not agree with the formulation regarding the partnerships between the UN, national governments, and NGOs. We believe in the lead role of the affected government in such relationships. We look forward to developing our understanding on this issue during our discussions.

The report recommends higher funding for humanitarian assistance, as well as for early recovery. While we support these recommendations, we find the report does not expand on where these additional resources would be raised from and how. We would welcome further clarification on this aspect.

Mr. Co-Chair,

We disagree with the report's recommendation asking the humanitarian agencies to clarify their mandates and to enhance their cooperation on Internally Displaced Persons. The mandates of UN agencies are clarified by Member States. It is not for the agencies to assign mandates to themselves, or to shed them. We are confused about the segregation of one issue, namely the issue of IDPs. The report does not clearly define the term as it was understood by the Panel and we are not sure if there is a clear definition of this term in the UN context. Moreover, IDPs are the citizens of the country in which they are located and hence the responsibility of the government.

We support the focus on early recovery in the Panel's report. However, we

would believe that the discussion on transition from relief to development should not end at early recovery. There is need to focus on the continuum from relief to recovery, to reconstruction and development. In fact, GA resolution 59/250 on TCPR emphasizes the element of planning the transition to development from the beginning of the relief phase. There is also need to clarify what the report means when it recommends that UNDP should take the lead in early recovery. Is this lead role envisaged in the context of a 'cluster approach' or is it meant to provide a clear and over-riding mandate to UNDP. This clarification also has a bearing on the UNDP Strategic Plan. Moreover, we need to clarify the question of mobilization of resources for transition.

Mr. Co-Chair,

The Panel report's section dealing with humanitarian issues provides some interesting ideas, especially on the issue of transition from relief to development. However, there is much in this section that needs to be further clarified. It is also useful to remember that the purpose of this exercise is to improve the UN's coordination of humanitarian assistance. The intention is not to re-write existing intergovernmental agreements.

Thank you Mr. Co-Chair.



608. Statement by Permanent Representative at the UN Nirupam Sen at the informal consultations of the plenary on the UN High Level Panel Report: "Gender Entity".

New York, June 21, 2007.

Mr. Co-Chair,

We thank you for organizing the informal consultations on this very important issue. We are grateful to the Secretary-General for sharing his views with us.

We agree with the HLP report when it says that the importance of achieving gender equality cannot be overstated. We also agree on the need for the UN to pursue the objectives of gender equality and women's empowerment far more vigorously. We are less sure of its assessment that the UN system's contribution has been incoherent, under-resourced and fragmented. Under-resourced, yes, incoherent, perhaps, and fragmented, may be .

Mahatma Gandhi once said that a “woman has the right to participate in the very minutest detail in the activities of man and she has an equal right of freedom and liberty with him.” As we chart the future course for the UN on gender equality and women’s empowerment, we would like to measure the proposals on their ability to assist the efforts of countries towards achieving the vision of gender equality articulated by the Mahatma over seventy years ago. In a more specifically economic context, the Indian Nobel prize winning economist Amartya Sen has demonstrated the impact of gender on general economic development. However, this is entirely different from trying to make it a conditionality.

The Panel’s recommendations arise out of the overall thesis that coherence and consolidation can achieve results. A vision of gender equality and women’s empowerment that brings to women the freedom and liberty equal to man is a big dream. It involves action on multiple fronts and achievements in a number of areas ranging from health care, including reproductive health, education to women’s rights. Can this be done by a single voice, no matter how powerful it might be? A strong voice can help, but for achieving gender equality and women’s empowerment, strong effort would be needed on multiple fronts. Perhaps some fragmentation in the sense of plurality is necessary to confront an issue whose footprints can be found in such multiple areas.

Mr. Co-Chair,

We can support the Panel’s recommendations for a higher level representative for women. An Under-Secretary General would have the appropriate status for participating in the CEB meetings. Simultaneously, however, we would wish to see the work of individual funds and programmes strengthened in their respective areas or mandates. This includes UNIFEM. We are not sure of the impact of a merger of the Secretariat bodies that would inevitably have more of a normative role, with UNIFEM, which has an operational mandate. We are also unsure of how the work of individual agencies would be strengthened by the creation of a gender entity focused mainly on policy advice, advocacy and monitoring but also trying to combine this with an operational and technical role. While monitoring of commitments is equally applicable to both developed and developing countries, advocacy and policy advice should not represent an upstream shift at the cost of technical support at the ground level. We have to bear in mind the needs of developing countries for grass roots support for innovative and appropriate technical assistance. This would require upgrading the technical capacity

of the agencies themselves. The recommendations of the HLP report have not focused adequately on these dimensions.

GA resolution 59/250 (TCPR) provides a clear mandate for strengthening of gender in the work of the funds and programmes. It provides guidance for enhancing the effectiveness of gender specialist resources, gender focal points and theme groups. TCPR calls for UN development system to avail itself of the technical experience of UNIFEM on gender issues. We believe there is need to examine the recommendations of the Panel with the guidance provided by TCPR, as in some areas the recommendations of TCPR are stronger than those of the HLP report. In recent years, some agencies have been making considerable efforts in this direction. While UNICEF and UNFPA already have a strong gender focus, UNDP too has made efforts over the last few years to improve its gender focus. We would need to examine the ongoing work in individual funds and programmes on gender to understand where and what kind of action is called for. Perhaps a system-wide evaluation of the UN development system on gender equality and women's empowerment would provide us better guidance.

Mr. Co-Chair,

As we said earlier, one crucial issue that has hampered the efforts of the UN development system to provide support to countries is inadequate funding. We believe that a strong push for gender needs strong resources, and not only new centralized, extensive bureaucratic structures. HLP report itself states that too often, "reform" has meant adding extra layers of bureaucracy, outweighing potential benefits. We would like to bring about real progress on an issue of such crucial importance; not just something that is symbolic but substantial, concrete and wide ranging progress on the ground and throughout the UN system, encompassing inter alia the programmes and agencies.

Thank you, Mr. Co-Chair.



**609. Statement by Permanent Representative at the UN
Nirupam Sen on the maintenance of International Peace
and Security: Natural Resources and Conflict at the
Security Council.**

New York, June 25, 2007.

Your Excellency, Mr. Minister

Let me begin by welcoming you, and by expressing appreciation for the Belgian Presidency of the Security Council in the current month. India appreciates the opportunity afforded to member States to participate in today's timely discussion on a subject of vital interest for all of us. The concept paper circulated by the Permanent Mission of Belgium earlier this month afforded us a most useful starting point for the discussion.

Mr. Minister,

The issue is important because so many developing countries are crucially dependent on natural resources (for instance a third of Africa's export income is from natural resources). At the same time, often these natural resources cause and prolong conflict, leading to lower growth and higher poverty sometimes than in natural resource poor countries; as in a Greek tragedy, the saviour is also the damned. This is the nature of the "natural resource curse". Conflict holds back development but a certain kind of development also leads to conflict. Globalisation sharpens inequality and regional imbalances, often stimulating natural resource-rich regions of a country to try to break away. Similarly, IMF- encouraged deflationary policies and elimination of subsidies as well as WTOencouraged trade liberalisation has substantially reduced rural purchasing power and tipped the scales of the "natural resource curse" into conflict. Rotberg and Easterly have both shown that five resource-rich countries in conflict were during the preceding ten years more than sixty five percent of the time (in the case of Sierra Leone eighty three percent) under an IMF programme.

In any treatment of the linkage between natural resources and conflict, full and permanent sovereignty of each State over its natural resources is a key principle that is immutable. While conflict prevention through better management of the exploitation of resources is theoretically an idea worth considering, it is in practical terms, fraught with legal and operational complexities. We are therefore of the view that the best method of preventing

conflict, prior to its outbreak, lie in more comprehensively addressing the problems of inequality and economic deprivation. Creative solutions are needed to the crisis of expectations and the disparities in economic development. These cannot be divorced from international economic governance – making globalisation fair, making the Doha round truly developmental and comprehensively reforming the IMF.

With regard to resources prolonging conflict, it appears that the international community is arriving, through trial and error, at a useful approach, whose contours are only now becoming visible. A judicious mixture of sanctions to prevent illegal exploitation of natural resources and certification schemes, such as the Kimberley Process, has begun to yield some results. In the instance of rough diamonds, this approach appears to have been successful because it approaches the problem at the level of extraction, and from the standpoint of processing and trading. This is also perhaps because such an approach is inclusive enough to visualize a role for the entire international community, including civil society. The Kimberley Process also has merit in its approach to the trade in diamonds, by creating a certification scheme that validates and regulates production of rough diamonds. Last, but not least, such a mechanism avoids the pitfall of treating the issue of resources fuelling conflict as a matter purely related to peace and security. As a result, major diamond trading and processing nations such as India have engaged constructively and actively with the Kimberley Process.

Apart from this, we find some useful suggestions in the concept paper, such as authorizing a role for the UN Mission and the UN peacekeeping forces in conflict-torn countries. However, such a mandate would need to be very carefully drawn up, both to limit their role to a supporting one, at best, to prevent other forms of potential misuse, and to ensure that neither the UN mission nor the peacekeeping forces are diverted from their core responsibilities. Questions of capacity, training and accountability will need to be addressed at the stage of planning such a mandate. Therefore, we would urge that evolving a consensus on these aspects should be an exercise carried out with the widest-possible consultations, including with troop contributing countries.

Lastly, there is the aspect of creating a post-conflict consensus on the use of natural resources in the process of peace consolidation. To evolve recommendations and approaches on this aspect, we could perhaps formally task the Peacebuilding Commission with this responsibility, as a mechanism established by all States precisely for such purposes. It should

suffice, therefore, to underline the fact that effective and consensual exploitation of natural resources not only brings tangible benefits to all segments of society, but also provides the intangible benefit of creating a useful and desirable habit of cooperation among former foes in a postconflict society.

I thank you, Mr. Minister.



**610. Remarks¹ by Permanent Representative at the UN
Nirupam Sen at the meeting of the open-ended working
group on the Question of Equitable Representation on
and increase in the membership of the Security Council
and other matters related to the Security Council.**

New York, July 19,, 2007.

Madam President,

I thank the distinguished Permanent Representatives of Lichtenstein and Chile for their Report to you on the consultations regarding “The Question of Equitable Representation on and increase in the membership of the Security Council and other matters related to the Security Council” and I thank you for convening these discussions today, for your initiative and leadership. The distinguished Permanent Representative of Egypt asked for flexibility from the P-5 and IBSA. One country in IBSA is from the African Union and two are from the G- 4. The very fact that their Foreign Ministers have come together to pronounce on such a sensitive subject is itself an index of flexibility. We agree with the authors of the Report on the need for flexibility but flexibility has to be demonstrated in response to a definitive proposition and in this case there is no text. A questionnaire or a straw poll would have greatly assisted in formulating a text and giving it the requisite initial legitimacy. As the Report correctly says the member States should have full ownership of the text. Every time we seem to be beginning again. After more than a decade of consultations, we embark on fresh consultations all the time. As Mary Shelley said, “the beginning is always today”. Unfortunately, we cannot go on skirmishing around the context much longer without producing a text. We need to move definitively from the context to the text.

1. The text has been developed by Mr. Sen from his extempore remarks

What should be our approach to the Report? It could be like the angel at the Rheims Cathedral door: amused but accepting. The Report's statement that the status quo is unacceptable to the overwhelming majority is sound. Nothing is constant except change. Flux is the law of life. The desire for something fixed where all is moving is destructive. It is a sign of privilege holding on to unjust power. Historically this has never worked. It also causes tension, an unnecessary wastage of political energy; one cannot hold back progress and democratization. The attempt to do so is behind the hitherto vitiated UN reforms, dysfunctional institutions, continuing violence and an unjust world.

The Report is also correct in reflecting the view of member States that UN reform is incomplete without a meaningful reform of the Council. This is more than a cliché. We have seen this recently and clearly in the problems that bedevil the revitalization of the General Assembly when we tackle any real or concrete issue of political decision-making, however small. The UN Security Council, like a pyramid has to rest on the wide base of support of the General Assembly. Today, the UN pyramid is standing not on its base but on its apex and is in danger of toppling over. It is equivalent to the Security Council standing on its head, and with all respect, this is not always a strong pedestal to stand on. On June 7, 2007, the former DSG Sir Mark Malloch Brown in his "Holmes Lecture: Can the UN be Reformed?" to the Academic Council on the UN System used the arresting metaphor of an institutional chiropractor in relation to UN Security reform and went on to say that once "this critical piece of the organization's spine is properly aligned", then "the alignment will fall down through the lower spine, arms, and legs as the whole UN body politic recalibrates itself". The connection with GA revitalization becomes obvious: unless the GA elects Permanent Members and then holds them accountable through a draconian review, the balance of power or the correlation of forces cannot change; encroachment will continue; it is precisely for this reason that Model 'B' did not gather majority support.

The distinguished representative of one of the Member States was fighting old battles all over again. He mentioned the principles of good faith, equity and law. He went on to speak of the necessity of "well above 2/3rd support" when the Charter, the GA Rules of Procedure and GA Resolution are clear. This I presume is an example of law. He opposed voting directly and even immediate negotiations implicitly. This I presume is an example of good faith. Incidentally, the logical implication of the Report's assertion, that support exceeding (only "exceeding" and not "well above") the legally

required 2/3rd majority is preferable, is sound because without voting, or at any rate, a straw poll there is no certain way of definitively determining this. He claimed that both the Reports exclude Permanent Membership. This I presume is accuracy and good faith. One of his friends, the distinguished Permanent Representative of Spain, at least accurately noted the first option in the first Report as taking us to Permanent Membership. We appreciate the current Report's paragraphs on the review process which provide a balance through at least a kind of teleological perspective on the expansion of permanent and nonpermanent membership and on the veto. Here permit us to gently point out that, unless the phrases "the creation of permanent seats" and the "creation of additional non-permanent seats" are a tautology, there is a conceptual confusion regarding permanent members and permanent seats for the simple reason that all seats in the existing Security Council are permanent; only some members are permanent and some are not. The distinguished Representative of the Member State referred to tried to speak for the African Union. We have a preference for letting the African Union speak for itself and we have listened attentively to the distinguished Permanent Representatives of Uganda, Mauritius and Egypt.

Before I develop this theme, permit me to address the question of working methods. The distinguished Permanent Representative of Switzerland expressed his discontent with what the Security Council has done on working methods and clearly stated that he cannot be optimistic since the first halting step in the Council on working methods has produced nothing. He then went on to contradict himself by proposing measures on working methods to the very Council that has rejected even much more modest steps. In other words, he would add further discontent to his already existing discontent. The question is why the non-permanent members were not able to implement any new working methods. It is because these can only be implemented by new permanent members elected and held accountable for doing this. In the light of his own judgement and feelings we are somewhat perplexed by the fact that the distinguished Permanent Representative of Switzerland is prepared to pursue working methods separately. We support new working methods without reservations.

It is a pity that the Report still speaks of "Notions" on a way forward. After more than a decade we are still at the stage of Notions, not even concrete ideas, not to speak of a text for negotiations. As the Report makes clear all key decisions are only postponed to a later date; the problem of pressure on many countries is solved by postponing the day of decision; there is a

preference for being perennially subject to pressure rather than summoning the energy to create a system where such pressure cannot be exerted or would be minimal. Instead of definitive support for finding a solution in the next Session we are to continue taking "further concrete steps". In short we shall continue to travel hopefully rather than arrive, in fact go on traveling and never arriving, preferring, in Thoreau's phrase, the infinite expectation of the dawn to the dawn itself.

The tautology at the heart of the interim model is that all models are interim because they are subject to review. Increasingly it is clear that even the present structure of the Security Council, (the status quo) is interim till the mounting tide of problems and discontent with the solutions overwhelms it by reducing it to irrelevance. The distinguished Permanent Representative of Spain asked why option 'A' in the first Report remains in some way in the second and why the middle two options have not been made the basis for further consideration. The answer was given by the Chair of the Non-Aligned Movement that we cannot have reform for the sake of reform. Let me develop this a little. The interim model becomes an exercise in art for arts sake: as Nietzsche said, the most common human frailty is forgetting what we were trying to do in the first place. Ototar Brezina, the great Czech symbolist poet once said that in conversations we have with ourselves the answers are given before the questions. Some of our friends seem to be having such a conversation and therefore their answers have no relation or relevance to the questions – how to introduce a system of checks and balances in the Security Council, how to make decisions more optimal, thereby reducing the need for the use of force.

The interim model may be for democratization but would leave untrammelled power untouched; it may be for greater representation but without any representation among permanent members; it may be for checks and balances but with nothing to check or balance the Permanent Members; it may be for smaller additional numbers but through expanding the UNSC in such a way as to make it unwieldy without making it effective, the worst of both worlds, a double jeopardy. Paradoxically the two middle interim options reinforce the case for immediate extension of the veto because, in the absence of length of tenure, the only instrument for introducing checks and balances, of countervailing power, would be the veto. Is this the direction we wish to pursue?

The distinguished Permanent Representative of Egypt therefore correctly emphasized that we need to agree now on what the interim model is a transition to. We have to agree on the end point and not leave every thing

to an open review. That is why we firmly support the distinguished Permanent Representative of Mauritius and request the President of the General Assembly to immediately commence work on having a text prepared for expeditious inter-governmental negotiations on a comprehensive reform of the Security Council in both permanent and non-permanent categories with greater representation to the developing countries, including in the permanent category, a comprehensive improvement in the working methods of the Security Council that would specially ensure greater access to island and small states, as well as a provision for a review. The distinguished Permanent Representative of Brazil has rightly quoted the Ministerial Communiqué issued on July 17, 2007 by the Foreign Ministers of IBSA countries and I would repeat the phrase on making the Security Council more democratic, legitimate, representative and responsive.

Some friends on this side of the divide have spoken of the need to ensure that the UNSC reflects the new world situation marked by the rise of certain powers. Some friends on the other side of the divide have, in previous debates, sought to invalidate this argument by saying that the world situation is also characterized by the rise of many middle powers. They are perfectly correct but they totally miss the point. The struggle for change here is a microcosmic reflection of the real macrocosm of the struggle in the world outside. Sometimes we show less clarity, less courage than many an ordinary worker, peasant or protestor in the world outside. The question is not of making a few countries permanent members to reflect the real world today but the much more crucial one of the distribution of power in an enduring way, of creating a more just world. This can only be done by first counter posing new centres of power to existing ones in the permanent membership and second by holding these accountable through reviews and the right of recall. Some of our friends on the other side of the divide may find it more convenient to build castles in the air; the problem is that these sometimes turn out to be sand castles and the falling sand can only blind the eye and distort the vision. One day or another we would have to sincerely and seriously address these problems. Till then every solution would be interim. This is the real meaning of the expression “La luta continua”.



**611. Statement by Permanent Representative at the UN
Nirupam Sen at the Thematic debate on climate change
in the 61st session of the UNGA.**

New York, August 1, 2007.

Madam President,

I thank you for arranging this thematic debate on Climate Change in the UN General Assembly.

I shall try to deal seriatim with the issues listed at the beginning of the paper circulated with your letter of July 9, 2007: scientific assessment; adaptation and mitigation; the role of the private sector; possible next steps in the multilateral process.

A realistic course of action on Climate Change has to be based on science and not on treating it as a post-modernist religion. And science has uncertainties which have to be recognized. A precautionary approach can be invoked in the absence of scientific certainty but environmental concerns should not become additional conditionalities on growth in developing countries. The Rio Declaration had also inter alia recognized that environmental standards set in one society could have an adverse socio-economic impact if applied in countries at different levels of development.

A scientific approach also means recognizing the facts and their relative proportions. Allow me to address the issue of "large emitters" - a classification that does not exist in the Framework Convention or any other UN agreement, yet appears surprisingly in several recent UN documents. The developed countries have followed a kind of Ecological Kuznets Curve except that they have externalized the problem (the effects of pollution) on to the developing world and there are some trends that they also wish to externalize the cost of the solution. The present state of greenhouse gasses concentration in the atmosphere is the result of over a century and a half of unabated emissions by the developed countries, which even today are at extraordinarily high levels. They have created an 'irreparable rift' in the 'metabolic interaction' between man and nature by appropriating the global commons and the carbon absorption capacity of the biosphere to their benefit. According to research studies and modeling results, Annex I countries (developed countries) would continue to contribute more to greenhouse gas emissions in future also. These countries have clearly accepted their responsibility and need to show leadership in emissions

abatement. Strict equity would mean that till the excessive amounts of greenhouse gasses in the atmosphere have been soaked up the developed countries ought to be held down to less than a per capita equal share. However, an equal per capita basis can be accepted as a fair distribution. Major polluters most certainly do not include developing countries such as India with small carbon footprints in per-capita terms.

India, with 17% of the world population has only 4% of global GHG emissions. Moreover, in per-capita terms India's GHG emissions of 1 ton/annum are just about a quarter of the global average of 4 tons per annum, 4% of the US, 12% of EU, 15% of Japan. There has also been effective de-linking of energy sector growth from economic growth; currently, the primary energy consumption growth rate is 3.7% per year, against GDP growth exceeding 9%. It is worth noting that this is in contrast to the developed countries and even a few major developing countries where higher growth has followed the traditional pattern of increased use of energy. India has made major efforts to reduce energy intensity of GDP and in PPP terms it is now 0.16 kgoe per \$ GDP in PPP terms down from 0.30 kgoe per \$ GDP in PPP terms in 1972; this is the same as that of Germany. Moreover, in all the major energy intensive sectors – steel, aluminium, fertilizer, paper, cement, levels of energy efficiency are at global levels. We also have strategies for energy conservation. We have developed an Energy Efficiency Code for Buildings and using a combination of market mechanisms and the CDM, we are launching one of the biggest efforts world-wide for use of CFLs to replace conventional light bulbs at affordable prices for the consumer. This also includes taking care of their disposal to allay fears of any mercury contamination. The share of renewables in total primary energy is still at 34%. Our Prime Minister has made it clear that India's per capita GHG emissions will at no stage exceed those of developed countries even while pursuing policies of development and economic growth.

What, in our view, are realistic next steps on Climate Change in the multilateral process?

- « The process of burden sharing must be fair. It should take into account where the primary responsibility for the present levels of GHG concentration rests and not perpetuate poverty among developing countries.
- « No strategy to deal with Climate Change should foreclose for developing countries the possibilities of accelerated social and economic development.

- « The principle of common but differentiated responsibility and respective capability is very important.
- « The time is not ripe for developing countries to take quantitative targets as these would be counter-productive for their development processes.
- « The determination of any particular stabilization goal and the timeframe in which it should be achieved needs to be made at the United Nations Framework Convention on Climate Change.
- « Adaptation is the key for developing countries. It needs to be adequately resourced without diversion from funds meant for development, which, in any case, is the best form of adaptation. Encompassing many small islands within its territory, India is entirely sensitive to the very serious concerns of the small island developing countries that arise out of climate change and the imperative to fully assist them in tackling it.
- « The resources required for Adaptation are of a similar order of magnitude as for GHG Mitigation. For this we should realize resources from the entire carbon market.
- « It is important that critical and promising clean technologies are made affordable for developing countries, where there is a large reliance on fossil fuels.
- « The IPR regime should balance rewards for the innovators with the common good of humankind.
- « Many needed technologies based on resource endowments of developing countries (e.g. biomass) do not yet exist, or are too expensive. Collaborative R&D between developing and developed country R&D institutions can address this gap.
- « The Clean Development Mechanism (CDM) needs to be expanded to include approvals for programmatic approaches. Enhanced level of GHG abatement commitments by the developed countries would significantly stimulate CDM projects.
- « We believe that the Carbon market has a significant role to play in tackling climate change and that we should spur private sector involvement in climate related technologies and investment.

- « With the process to determine the GHG reduction commitments of developed countries after the initial Kyoto period (2012) having already started, we hope that developed countries would come forward and take on substantially larger emission reduction targets than the 5.2% in Kyoto I and complete these negotiations by 2008/09.

Madam President,

A scientific approach also requires us to address not just the symptoms but the cause. It is the production and consumption patterns of developed countries that created the metabolic rift through dumping ecological wastes into the atmosphere. Mahatma Gandhi had recognized the problem in the early years of the 20th century. Sustainable development requires sustainable patterns of production and consumption and this is where we need to concentrate our efforts. Invigorated negotiations under the provisions of the UNFCCC encompassing GHG mitigation at a significant level in developed countries along with their real cooperation with developing countries on adaptation and technology development & cost effective transfer can result in pragmatic, practical solutions which are to the benefit of all humankind.

Thank you Madam President.



612. Statement by Finance Minister and Special Envoy of the Prime Minister P. Chidambaram during high level event on climate change convened by the Secretary General: "The Future In Our Hands: Addressing the Leadership Challenge of Climate Change" at the Thematic Plenary on the "Challenge of Adaptation - from Vulnerability to Resilience".

New York, September 24, 2007.

Honourable Co-Chairs,

May I begin by expressing our appreciation for the initiative of the Secretary-General in convening this High-Level Event. I am confident that this event will assist in moving forward the process in the United Nations Framework Convention on Climate Change [UNFCCC]

Like many developing countries, India is an energy deficient country. In 2006-07, we produced 662 billion units of electricity from all sources for a population of over a billion people. Energy is the *sine qua non* of development. We are obliged to explore every option available to us to produce or procure energy. However, we are profoundly concerned about environmental degradation and climate change.

Our per capita consumption of energy is 530 kgoe of primary energy compared to a world average of 1770 kgoe. Our per capita emission of CO₂ is among the lowest in the world: it is approximately 1 tonne per annum as against a world average of 4 tonnes per annum. Currently, developing countries bear an inordinate share of the burden of Climate Change, though this is due to the high-level of emissions of developed countries. Developing countries are, therefore, obliged to significantly augment their capacity to cope with and adapt to climate change.

We acknowledge the principle of common but differentiated responsibilities.

We uphold the view that adaptation is the key for developing countries and that it needs to be adequately resourced without diverting funds meant for development. In any case, development is the best form of adaptation.

Adaptation has been integral to India's development process. We are challenged constantly by climate variability. We spend every year over percent of our GDP in development measures with strong adaptation content

like cyclone warning and protection, coastal protection, flood control, drought relief, and food security.

In 2001, we passed the Energy Conservation Act. We have notified an Energy Efficiency Code for new commercial buildings.

A new Electricity Act was passed in 2003. The Act mandates the procurement of electricity from renewables and has given a major fillip to the wind energy sector.

In 2006, the Government of India adopted a National Environment Policy. This year, we set up a special committee to look into the impact of climate change. The committee will study the impact of anthropogenic climate change on India and identify the measures that we may have to take in the future. In addition, we have constituted a Council on Climate Change chaired by the Prime Minister to coordinate national action plans.

We have taken a number of measures that are inherently supportive of sustainability and clean development. We have insisted on the use of CNG for public transport; we have introduced the metro rail in many cities; and we have commenced a major bio-diesel program including mandatory blending of ethanol in petrol.

We have also launched the Green India project that will be the world's largest afforestation project covering six million hectares of degraded forest land.

We have managed the demand side through targeted interventions. As a result, we have raised energy efficiency in all the major energy intensive sectors – steel, aluminium, fertilizer, paper and cement. We propose to make available Compact Fluorescent Lamps at the price of normal incandescent bulbs.

Honourable Co-Chairs,

The earth's atmosphere is a common resource for all of humankind. The problem lies not in accessing this resource but in its excessive usage. India is committed to sustainable development, and that means sustainable patterns of production and consumption.

India is also fully sensitive to the concerns of small island developing states that arise out of climate change and will join efforts to assist the small states.

The Prime Minister of India has made the offer that India's per-capita GHG emissions would at no stage exceed the per capita GHG emissions of developed countries. This is the starting point to reach a just and fair agreement.

Adaptation can become a reality if we are able to put new and intelligent technologies to use. We urge the countries of the world – specially the developed countries – to seize the opportunity.

Thank you.



613. Statement by Chairperson of the United Progressive Alliance Mrs. Sonia Gandhi on the occasion of the first observance of the International Day of Non-Violence at the informal plenary of the UN General Assembly.

New York, October 2, 2007.

Please see Documet No. 584



614 Statement by Permanent Representative at the UN Nirupam Sen on Agenda Item 62 [a] Implementation of the outcome of the World Summit for Social Development and of the 24th special session of the General Assembly [b] Social Development, including question relating to the World Social Situation and to Youth, Ageing, Disabled Persons and the Family, and [c] follow up to the International Year of Older Persons; Second World Assembly on Ageing at the 3rd Committee of the 62nd session of the UNGA.

New York, October 9, 2007.

Mr. Chairman,

On behalf of the delegation of India, I would like to convey to you and other members of the Bureau our warmest felicitations on your election. For me it is a special pleasure to be at this meeting presided over by you, given the close bonds of friendship and cooperation that link our two countries together. We are confident of the success that your able stewardship will bring to the Third Committee. I would like to assure you of my delegation's full cooperation in the deliberations and work of this Committee. I wish to thank the Under-Secretary General for Economic and Social Affairs for his statement yesterday in this Committee. My delegation broadly associates itself with the statement made by the Chair of 77.

Mr. Chairman,

Major UN Conferences held since the World Summit for Social Development in 1995 have underscored the role of productive employment in achieving the primary goals of the Summit, namely, of poverty eradication and promoting social development. A cursory glance at the progress made so far reveals a dismal picture.

Sub-Saharan Africa has suffered a setback since the 1990s in meeting the Millennium Development Goal (MDG) target of halving extreme poverty and hunger by 2015. The global labour force increased by 438 million workers to about 2.9 billion workers from 1995 to 2005; however, unemployment rose from 6% to 6.3% during the same period. Moreover, despite the fact that the global economic output increased by 3.8 percent per annum, the unemployment rate continues to rise, giving rise to the

phenomenon of 'jobless growth'. Developing countries continue to register an increase in the unemployment rate.

A major challenge for a number of developing countries is to counteract jobless growth and reconcile market forces with the objective of a decent work agenda. The Kuznets Curve is a myth: inequality and high growth do not automatically eventually lead to greater equality and social justice: direct antipoverty programmes are necessary as a social protection measure. In addition, it is imperative that the persons working in the informal sector are also brought within the ambit of social protection systems. India is implementing the Act passed by our Parliament on Social Security for Workers in the unorganised sector. Continued dependence on agriculture and high demographic growth continues to make the challenge of full employment and decent work that much more difficult to achieve in many parts of the world.

Private enterprise mostly finds it difficult to take account of the social costs of unemployment. The UNSG's Report, therefore, rightly stresses the necessity of partnerships between Governments and the private sector particularly to explore the means to promote corporate social responsibility as an instrument for achieving productive employment and decent work for all.

The UNSG's Report also emphasizes the need for making globalisation more inclusive. Externally, globalisation means that inefficient enterprises have to close down under competitive pressure, which causes unemployment. Thus, active labour market policies empowering those marginalised from the labour market would be necessary as a means to combat social exclusion. On the other hand, liberalization of the economy has to follow a certain level of development of economic and scientific capacity. Sequencing is, therefore, critical but has often been ignored.

Mr. Chairman,

The Prime Minister of India, Dr. Manmohan Singh, has recently emphasized the 'need for a growth process that is much more inclusive, a growth process that raises incomes of the poor to bring about a much faster reduction in poverty, a growth process which generates expansion in good quality employment, and which also ensures access to essential services such as health and education for all sections of the community'.

Employment growth in India accelerated to 2.6% during 1999-2005

outpacing population growth. Employment generation, on a sustainable basis, has been one of the important objectives of India's planned economic development. India's Five Year Plans have always conceptualised productive employment for all. During the Tenth Five Year Plan (2002-07), particular attention was paid to the policy environment influencing a wide range of economic activities with large employment potential, such as construction, real estate and housing, transport, small scale industries, information technology as well as IT Enabled Services, financial services and tourism. It also gave high priority to micro and small enterprises, which today provides employment to 29.5 million people, apart from contributing around 39% of country's manufacturing output and about 34% of exports.

Mr. Chairman,

India has been implementing various employment as well as self-employment generation programmes, in addition to a number of poverty eradication programmes. Prominent self-employment programmes for educated and uneducated unemployed people, particularly youth and women, include *Swarna Jayanti Shahari Rozgar Yojana*, Prime Minister's *Rozgar Yojana*, *Swarnajayanti Gram Swarajgar Yojana* and the Rural Employment Generation Programme. The Prime Minister's Bharat Nirman Scheme on the six critical areas of rural infrastructure would enhance rural economic activities and generate both more incomes and more rural employment.

Another notable initiative launched in India in 2006 is the National Rural Employment Guarantee programme [NREGP]. It has now been extended to the entire country and is one of the largest Social Security measures in history. It makes the right to work a fundamental right by providing 100 days assured wage employment annually to every rural household, and thus creates a social safety net, infrastructure and access to health in rural areas. At least one-third of the beneficiaries of this programme would be women. Productive employment and decent work also depend on higher productivity of labour and enhancement of skills. The National Rural Health Mission is striving towards health for all. Pluralism, freedom of speech and association in a vibrant Indian democracy are crucial in satisfying some of the aspirations of working people.

Mr. Chairman,

India ratified the International Convention on the Rights of Persons with Disabilities last week, reiterating its commitment to the elimination of barriers that persons with disabilities face. It also an important step towards fulfilling

a Constitutional mandate of developing an inclusive society, including persons with disabilities.

With an estimated 76.6 million older persons, India is taking a number of measures for their welfare. The National Council for Older People advises and coordinates with the Government in formulation and implementation of policies and programmes for aged people. A draft bill is under active consideration for promoting maintenance, care and protection of older persons. We are committed to the Madrid International Plan of Action, which also provides guidance on capacity-building on ageing at national, regional and international levels.

Mr. Chairman,

In conclusion, Mr. Chairman, my delegation welcomes the Secretary-General's affirmation of the need for creating an enabling environment at the international and national level as a key challenge for realising full employment and decent work. The need of the hour is to explore ways for the effective realisation of the Millennium Development Goals, particularly to halve extreme poverty by 2015 and foster social integration, by making employment a central objective of national and international macroeconomic policies.



**615. Statement by Permanent Representative at the UN
Nirupam Sen on the Report of the Peace-building
Commission and the Report of the Secretary General on
the Peace-building Fund at the 62nd session of the UNGA.**

New York, October 10, 2007.

Mr. President,

Thank you for presiding over today's event; I am really pleased to see you chairing this event at which I am taking part. Let me also thank you for scheduling today's timely discussion on the Peacebuilding Commission and the Peacebuilding Fund. Let me begin by expressing our appreciation for the work that Japan has already put in as Chair of the PBC, for the PR of Angola, for his work over most of the past year as the first Chair of the PBC; for the Chairs of the country-specific configurations and for the Chair

of the Working Group on Lessons Learned. We also associate ourselves with the statement made by the distinguished PR of Jamaica, on behalf of the Non-aligned Movement, and we thank him for his work as NAM coordinator in the PBC.

Mr. President,

India is strongly committed to the objectives and work of the PBC, and have also contributed to the resources of the PBF. We have read the report of the PBC, and that of the UN Secretary-General on the PBF. We note the important points made in these reports. Indeed, since we were associated with the finalization of the PBC report, we are well-acquainted with it! These reports will be of lasting value to the international community, and to the PBC, as we chart our course in the area of peace consolidation in the year ahead.

Mr. President,

Without dwelling on these reports, which are public documents, I must point out that much is left unsaid. In the case of the PBC, this is natural, since multilaterally negotiated reports inevitably highlight the lowest-common denominator. Nevertheless, it encapsulates several of the more important achievements of the group, which are not inconsiderable developments, and are worthy of praise. However, I would like to focus upon some elements that are not reflected, but are of central importance, in India's perspective, for the future work of the PBC.

Firstly, we need to collectively exert greater efforts to move beyond debating issues of process to implementing measures. Process issues distract us from the real purpose of the PBC, which is to assist countries on our Agenda with focused, topical advice, and through the marshalling of resources. To us, it seems evident that we can only resolve this problem by confronting it squarely, not by bypassing it and moving on. Therefore, while it is understandable that some see the empowerment of the Country-specific configurations as a means to deliver concrete outcomes, this is not a durable solution. The solution lies in making the Organizational Committee, which is the steering mechanism of the PBC, work better. We must therefore harmonize the deliberations of both the Organizational Committee and the Country-Specific configurations, and make both more result-oriented.

Secondly, while providing advice is both logical and natural for a body that is defined as an 'advisory body', there is a need to also listen to those

whom we wish to assist. Sometimes the discourse in the PBC, whether within the OC or the Country-specific configurations, does not suggest that this is the case. At one level, countries on the Agenda of the PBC do need to hear the full gamut of views and suggestions, made with the best of intentions, by each of us. Providing good, constructive and candid advice dispassionately is important, and therefore it is difficult. But this is not nearly as difficult as listening carefully to what the various actors on the ground are saying. While their views may diverge from our advice, meaningful advice must involve a two-way dialogue, not one-way transmission. Here it would help if the countries concerned could also tell us clearly the areas in which their need for assistance is most critical. Such inputs should form the basis of more focussed, action-oriented and practical discussions within the PBC.

I might add in this context, that the PBC could certainly do better—at least, we could certainly be more creative—regarding the form in which the PBC provides advice. For instance, would it have a better impact if the PBC facilitates access by target countries to eminent specialists who have the expertise to provide advice in key areas of peacebuilding?

Thirdly, while it is important to focus upon the advisory role of the PBC, there is occasionally a tendency to neglect its role in focusing international attention and in particular, assisting in the marshalling of resources. Important though it may be, advice alone will not consolidate peace. The mobilization of resources is the key vehicle by which post-conflict societies can begin to address critical issues in peace consolidation. Thus far, this aspect has received inadequate attention in the PBC, and we look forward to discussing creative solutions by which the PBC could be more involved with this central aspect of peace consolidation.

In this context, I should draw attention to the Peacebuilding Fund. We welcome its operationalization, and the fact that it has begun to disburse “catalytic funding” to Sierra Leone and Burundi, as recommended by the Organizational Committee of the PBC, and also to other countries in need of emergency assistance. However, while the operation of the PBF is certainly within the letter of its founding resolution, we are not fully convinced that it is operating fully within the spirit of that resolution. To be candid, far more transparency is needed in the operation of the PBF; much more consultation with the PBC, and more prompt relaying of information to the PBC regarding the utilization of Funds. This is essential not only for purposes of information, but for the credibility of the PBF. Ultimately, since the PBF

is based on contributions from member States, it would only detract from its sustainability if it is not more transparent and consultative.

My fourth point relates to the capacity of the PBC and its support mechanism, the Peacebuilding Support Office (PBSO). While the PBSO has done well in assisting the PBC even as recruitment for the PBSO was underway, there is now a need for greater involvement of the larger UN system—in New York and on the ground—in the work of the PBC. The PBSO alone cannot compensate for the entire UN system. Other arms of the Secretariat, including the UN Country Team, must provide information to the PBC on developments on the ground in the target countries where the PBC is involved. This is particularly so since the PBC is comprised of member states who may not always have diplomatic representation on the ground in the countries concerned. We all know that access to good, succinct and relevant information from the ground is usually priceless, and this is nowhere more so than in the PBC.

The last—though certainly not the least—point relates to perspective. We must keep in mind that the ultimate goal of our collective efforts is to enable countries on our Agenda to develop the capacity to implement development programmes and to consolidate peace independent of our direct involvement. That is to say, irrespective of how many actors we may wish to listen to on the ground, the protagonist can only be one: the government of the country concerned. The primary focus cannot but be to

strengthen the capacity of a post-conflict State to govern effectively and to govern well. If it does so, it will be able to mobilize human and material resources to achieve development, and it is development that is the most enduring guarantee of any longterm peace consolidation strategy. Only then will we have truly succeeded in our efforts.

Mr. President,

I conclude by once again underlining India's commitment to the fullest participation in the PBC, and in continuing to work to make this organization not only effective, but above all, relevant to the challenges for which it was created.

I thank you.



616. Statement by Permanent Representative at the UN Nirupam Sen on Agenda Item 106: Crime Prevention and Criminal Justice and Agenda Item 107: International Drug Control at the Third Committee of the 62nd session of the UNGA.

New York, October 11, 2007.

Mr. Chairman,

We thank the Secretary-General for his reports on Agenda items 106 and 107 on 'Crime Prevention and Criminal Justice', and 'International Drug Control'.

The World Drug Report 2007 points to remarkable progress made by Southeast Asia in eliminating sources of supply of heroin, as poppy cultivation in the area stands reduced by more than 85% over the last decade. The declining trend in global coca cultivation and cocaine manufacture continued during 2006. There are, however, serious concerns over concentration of opium production in Afghanistan – accounting for 92% of global opium production in 2006. As the Executive Director of the UN Office on Drug and Crime (UNODC) pointed out last week, '75% of the Afghan opium is cultivated in southern Afghanistan ... in the regions controlled by the Taliban'. There is an urgent need for the international community, together with UN agencies particularly UNODC, to act earnestly to eliminate illicit drug production as it poses an enormous threat to the social and economic fabric of the countries affected.

Mr. Chairman,

The Report of the UN Secretary-General points to significant progress made by Member States in many sectors of the Political Declaration and related measures adopted by the 20th Special Session of the General Assembly devoted to countering the world drug problem. The UN Secretary-General also highlights areas requiring immediate action, such as comprehensive monitoring systems to prevent trafficking in and abuse of amphetamine-type stimulants, higher levels of international technical and financial assistance to most vulnerable countries and improved data collection and evaluation capacity. In the context of the review in 2008 of the progress towards achieving the goals and targets set at the 20th UNGA Special Session, all relevant stakeholders including Member States should identify the challenges still confronting them so that collective strategies could be devised to effectively address them in the coming years.

Mr. Chairman,

Terrorism remains one of the major challenges to international peace and security. It undermines the very foundation of freedom and democracy, enjoyment of human rights and the continued existence of open and democratic societies. India continues to be subject to heinous terrorist attacks in which innocent civilians became victims. These incidents reinforce the importance of a strong international resolve and a coordinated global approach to confront the threat posed by terrorism.

The adoption of the United Nations Global Counter-Terrorism Strategy in September 2006 was a noteworthy development, signaling the will of the international community to combat this menace in a holistic and coordinated manner. There is much more that needs to be done to combat the menace of international terrorism.

The Prime Minister of India, Dr. Manmohan Singh, has emphasized that “the specter of international terrorism is one such phenomenon evolving out of the churning that has accompanied globalization processes. It is imperative to contend with both trans-border, regional and global ramifications of local problems as well as the reverse. In devising strategies to meet trans-border challenges, we must now consider ways of evolving multinational strategies.” Without the early adoption of the Comprehensive Convention against International Terrorism, the global struggle against terrorism will remain incomplete. We must ensure that there is zero tolerance for all forms of terrorism.

Mr. Chairman,

We appreciate the growing activities of UNODC in counter-terrorism efforts, especially its technical assistance activities at the national, regional and international levels, within the framework of its global project on strengthening the legal regime against terrorism. UNODC’s work has contributed significantly to increasing the number of countries that have ratified all twelve universal legal instruments relating to terrorism. The focus of technical assistance activities of UNODC is shifting from the phase of ratification support to the phase of legislative implementation and support for national counter-terrorism capacity building for criminal justice systems. We recognize that there is a mismatch between the demands placed on UNODC for implementation assistance, as more countries ratify more international instruments, and the resources at its disposal. We, therefore, support increased resource allocation for

UNODC counter-terrorism activities from the UN regular budget and voluntary contributions.

Permit me Mr. Chairman at this juncture, to express our support for the point made by Jamaica in their statement on behalf of CARICOM on the closure of the UNODC's Office in the region, which continues to be affected by "transnational crime and the international drug trade". While efforts are underway to increase the UNODC's overall resources, it should utilize the resources it has optimally. Also financial efficiency is not the only criterion. UNODC is a specialized agency of the UN created to serve the interests of Member States, including the smallest and most vulnerable. Hence, it has to revisit this issue.

Mr. Chairman,

India has been examining the need to amend the Code of Criminal Procedure for ensuring fair and speedy justice and further streamlining the criminal justice system. During the last two years, significant changes have been made so as to improve and strengthen the investigative and prosecution machinery and process, streamline procedures, especially trial court procedures, address the problems of under-trials, systematize the procedures concerning grant of bail, and put in place a comprehensive scheme for compensation of victims. Amendments to the Code of Criminal Procedure have also been made to prohibit the arrest of women after sunset and before sunrise and to provide special protection in respect of women victims.

India is a signatory to the UN Convention against Transnational Organized Crime and its three Protocols, and is taking steps towards their ratification. Bilateral agreements have been entered into for developing joint programmes to prevent money laundering, to counter terrorism, and organised crime. Domestic legislation has been strengthened further with the enactment of the Money Laundering Act. India has also signed the UN Convention against Corruption.

Mr. Chairman,

The close nexus between trans-national organised crime, illicit drugs, money laundering and illegal arms transactions, on the one hand, and international terrorism on the other, significantly undermines international peace and security. To move towards a world free of illicit drugs and of narco-terrorism would require concerted efforts at national, regional and international levels.

India remains fully committed to working closely with other countries, bilaterally and through regional and international cooperation, to address trans-national organised crime, illicit drugs, money laundering and illegal arms transactions.

Thank you, Mr. Chairman.



**617. Statement by Permanent Representative at the UN
Nirupam Sen on Agenda Item 108: Measures to Eliminate
International Terrorism at the 6th Committee of the 62nd
session of the UNGA.**

New York, October 11, 2007.

Mr. Chairman

We take this opportunity to congratulate you on your election as Chairman of this Committee and also congratulate the Bureau members on their election. We assure you of our full cooperation and support.

We thank the Secretary General for his annual report on the implementation of Para 10 of the "Declaration on Measures to Eliminate International Terrorism" that presents measures taken at the national and international levels for the prevention and suppression of international terrorism as well as information on incidents caused by international terrorism. We would also like to thank Ambassador Rohan Perera for his report on the meeting of the Ad Hoc Committee established by General Assembly Resolution 51/210.

Mr. Chairman,

Terrorism continues to remain one of the major threats facing the international community. Since the last year when we met in this forum, terrorists have struck in India, United Kingdom, Yemen, Lebanon, Algeria, Turkey and many other places. This reinforces the fact that terrorism is a threat to all states, to all peoples, which can strike anyone, anytime, anywhere. It's a global threat that requires a global response.

Mr. Chairman,

we continue to firmly reject the notion that any cause can justify terrorism.

Nothing can ever justify the targeted killing of innocent men, women or children. The senseless slaughter of innocents reinforces the urgency with which we need to unitedly and resolutely confront terrorism everywhere and at all levels and clearly proclaim that terrorism can never be accepted or justified. As a character in one of Schiller's plays says, one cannot create a fairer world through terror or establish justice through lawlessness. There is a wide and unbridgeable gulf between a freedom fighter on the one hand and a terrorist suicide bomber on the other. The former sacrifices his own life alone, the latter also sacrifices the lives of innocent civilians; the former gives up his life so that innocent people may live, the latter gives up his life so that innocent people may die. The former's action is life enhancing; the latter's is only a form of necrophilia. Democratic societies have the advantage of encouraging secular, democratic and progressive opposition forces which prevents fundamentalist forces from monopolizing political space.

The international community should send a clear signal to terrorists that their actions will not be tolerated, irrespective of the motivations underlying them. This principle was affirmed in the 1994 Declaration and various UNGA resolutions on measures to eliminate international terrorism that unequivocally assert that "criminal acts of terrorism intended or calculated to provoke a state of terror in the general public, a group of persons or particular persons for political purposes are, in any circumstances, unjustifiable, whatever the considerations of a political, philosophical, ideological, racial, ethnic, religious or other nature that may be invoked to justify them".

Mr. Chairman

The United Nations Global Counter Terrorism Strategy also condemns terrorism in all its forms and manifestations. It signals the will of the international community that it would no longer tolerate the actions of the sponsors and abettors of terrorism or of those who willfully fail to prevent terrorists from utilizing their territories.

A strong response to terrorism requires broad-based international cooperation, compressing the space available to terrorists, and increasing the capability of States to address terrorist threats. It requires sustained and specific cooperation by a variety of national, regional and global agencies. We hope that the Strategy would provide the impetus to unite the international community in its fight against terrorism via practical

measures that facilitate cooperation by way of extradition, prosecution, information exchange, and capacity building.

Welcome as the strategy is, there is much more that needs to be done to combat the menace that international terrorism has become. Without the early adoption of the Comprehensive Convention against International Terrorism, the global struggle against terrorism will remain incomplete.

We continue to believe that agreement on it is attainable. The definitional issue is a red herring. The CCIT is not concerned with terrorism as a philosophical category but terrorist acts that are specific crimes and these have defined. We are encouraged by the fact that serious attempts are being made to resolve the outstanding issues. The new proposal submitted by the facilitator after extensive bilateral consultations is an attempt to narrow down differences. We thank her for all her efforts. Several other proposals also still remain on the table. We call on all delegations to seriously examine these proposals and work together to reach a compromise that will satisfy all parties and help in the finalization and adoption of the CCIT. We believe that when adopted, CCIT would provide a solid legal basis for the fight against terrorism. Most of these proposals make the CCIT perfectly consistent with international humanitarian law. And this is as it should be. After all it would be a dreadful paradox if democratic societies were to make civil liberties so precious as to curtail them. This central point of democratic societies has been cogently put by Hegel in his "Phenomenology of Spirit": the life of the spirit is not life that shrinks from death or keeps itself untouched by its devastation but that endures it and maintains itself in spite of it.

Mr. Chairman,

UN General Assembly has successfully established a comprehensive legal framework in the field of counter-terrorism. The 13 major UN instruments relating to specific terrorist activities remain fundamental tools in the fight against terrorism. India is a Party to all the 13 major legal instruments. India ratified the 2005 International Convention for the Suppression of Acts of Nuclear Terrorism in May this year. This Convention provides a legal basis for international cooperation to prevent terrorists from acquiring nuclear weapons. The effectiveness of this instrument depends on the degree to which States Parties respect, abide by and enforce its provisions. Key in this regard is strengthening the security of fissile materials stored in nuclear facilities. If governments fulfill their duties under this Convention, the agreement will work well and accomplish its purposes.

India also attaches utmost importance to the fulfillment of its obligations under the relevant counter terrorism resolutions of the United Nations. It has filed five National Reports to the Counter Terrorism Committee, giving a comprehensive picture of steps taken by India to counter terrorism. A 14 member composite delegation of UN counter-terrorism experts had visited India last year. A detailed presentation of India's counter-terrorism strategy was made to the Committee. India has also entered into several bilateral and multilateral agreements to cooperate with other States in curbing the scourge of terrorism.

The challenge of confronting terrorism is not new to us. India has been a victim of terrorism for more than two decades. As victims, we are committed to eradicating this threat from our societies.

Thank you, Mr. Chairman



618. Statement by Member of Parliament and Member of the Indian Delegation to the UN Rameshwar Oraon in the General Debate of the Special Political and Decolonization (Fourth) Committee at the 62nd session of the UNGA.

New York, October 15, 2007.

Mr. Chairman,

It gives me great pleasure to congratulate you on your election as Chairman of the Fourth Committee, as well as to congratulate other members of the Bureau. I assure you of my delegation's full cooperation and support during this 62nd session of the UN General Assembly. I would also like to take this opportunity to express appreciation to Ambassador Madhu Raman Acharya of Nepal for his skillful handling of the Committee's work in the last GA session.

Mr Chairman,

Despite having progressed into the twenty first century, we continue to grapple with the vestiges of colonialism, a bygone system that runs contrary to the fundamental principles of this Organisation. Colonialism

is anachronistic, archaic and outmoded; it contravenes the fundamental tenets of democracy, freedom, dignity and human rights. While remarkable progress has been made in removing countries from the grip of colonialism, 16 areas still remain on the list of Non-Self Governing Territories. This serves as a reminder that the process of decolonisation is incomplete and much more needs to be done. We are now in the seventh year of the Second International Decade for the Eradication of Colonialism [2001- 2010] and unless we intensify our work to implement the various resolutions and recommendations to eradicate colonialism, the Special Committee of 24 may well need a further decade to complete its work.

Our approach to the task that lies ahead must therefore blend urgency and activism on the one hand, and sensitivity and circumspection on the other. We must, first and foremost, take into account the needs of the people of these Territories and their special circumstances. An appropriate format and timing for the completion of decolonization in each territory needs to be focused upon. Ascertaining the political aspirations of the people in each of these Territories, and taking into account the stages of development of each Territory, are critical inputs for making decisions that enable them to develop indigenous political and socio-economic institutions and structures of their choice. The importance of eschewing a “one size fits all” approach cannot be overstated; the focus should instead be on a case-by-case approach, with a view to making real progress in each Territory.

Dissemination of relevant information regarding options that may be available to the people in the Territories is crucial. All too often, the local population may be unaware of their legitimate political options. For real constitutional and political advancement to occur, the peoples of a Territory require sustained access to unbiased information on the licit options of political equality before them, namely, independence, free association with an independent state or integration with an independent state, as clearly defined under Resolution 1541 [XV] of the General Assembly.

Two important tools that could serve to bridge this information deficit in the process of decolonisation, are the visits of UN Missions to Non Self-Governing Territories and the conduct of Regional Seminars by the Special Committee of 24 on Decolonisation. The instrumentality of visiting Missions helps in the collection of adequate and first-hand

information on conditions in the Territories and for ascertaining the wishes and aspirations of the peoples concerning their future status. Such missions are important in the context of furthering modalities and action plans for decolonisation and observing acts of self-determination. We hope that the administering Powers would extend their full cooperation to the Special Committee in facilitating such visiting missions. Similarly, we favour the holding of regional seminars by the Special Committee, in an effort to mobilize world opinion to support and assist the peoples of the Territories in speedily ending colonialism. The idea of combining visiting Missions to certain Territories with seminars in order to optimize available resources is a worthy one, which should be pursued. In this context, we look forward to the holding of the next seminar in the Pacific region in 2008.

The role of the administering Powers is an important factor. A spirit of cooperation and flexibility has largely imbued their actions in recent years. We call upon them to further build upon this positive spirit by, in particular, assisting the Special Committee of 24 in devising specifically tailored action plans for the decolonisation of certain Territories in their quest for self-determination. The case of Tokelau is one such example. We extend our full support to the preparations by New Zealand and the Territorial Government for the referendum scheduled for this month in exercise of the right to self determination by the people of Tokelau.

We hope that such instances of partnership will serve as a guide to other administering Powers which continue to resist the international dialogue established by the United Nations on the political and constitutional development of the territories under their administration. We support an interactive dialogue on the objective reality in the Territories would be to the benefit of all concerned, in particular, the people of these territories.

We should like to express our appreciation for the work of the Special Committee. We agree with the Chairman's contention that the focus should now be on implementation. We support moves to concentrate efforts to produce a plan of implementation for the wider United Nations system in order to organize actions already called for, into concrete activities, in furtherance of complete decolonization by 2010. We are convinced that only through such a pro-active approach, which we must carry forth into 2008, will we be able to fulfill the mandate for decolonisation by the end of this decade. We would like to assure the Chairman of the Committee of 24 of our

full support and involvement in his efforts to move the agenda ahead and successfully complete the mandate of the Special Committee.

Mr Chairman,

Last Thursday in its statement before this Committee Pakistan had, for a limited and selfish foreign policy objective, made a reference to the Indian State of Jammu & Kashmir that was unwarranted and completely irrelevant to the work of this Committee. Pakistan would have been better served if it were to focus on giving the right of self determination and democracy to its own people, rather than making out of context and factually incorrect comments about others. Not only is Jammu & Kashmir an integral part of India, but it has for long had a democratically elected Government in place. India is of the view that bilateral matters should continue to be discussed bilaterally, and not raised in multilateral fora. There is a need also to be vigilant against the voicing of sentiments or usage of language that would be tantamount to supporting terrorists as they unsuccessfully seek to undermine long established democratic and pluralistic societies.

Mr Chairman,

In conclusion, as a founding member of the UN and the Special Committee of 24 on Decolonisation, we share solidarity with other erstwhilecolonized peoples and nations. We consider it an honour to re-dedicate ourselves to the cherished ideals of freedom, democracy, human rights, dignity and peaceful co-existence, while reaffirming our commitment to achieving the goal of complete decolonisation.

Thank you, Mr Chairman.



619. Statement by Member of Parliament and Member of the Indian Delegation to the UN Subash Maharia on Agenda Item 80: Criminal Accountability of the UN Official and Experts at the 6th Committee of the 62nd session of the UNGA.

New York, October 15, 2007.

Thank You Mr. Chairman

We thank the Secretariat for the Note on the subject and for providing the necessary inputs that will enable Member States to make an informed decision on the short term and long term measures required to be taken to ensure the criminal accountability of United Nations Officials and Experts on Mission.

We also commend the efforts of the Ad Hoc Committee, which at its first meeting devoted considerable time on understanding the nature and extent of the problem and the remedies currently available.

Mr. Chairman

We are extremely concerned that in spite of clear codes of conduct for United Nations peacekeepers and a policy of zero tolerance, cases of sexual abuse and exploitation and other criminal acts continue to be reported. Such acts taint the image and reputation not only of the United Nations, but also of the sending States. United Nations peacekeepers are sent on humanitarian missions in conflict ridden areas and, working together with UN agencies, their task is to re-establish the rule of law, curb violence, and promote good governance and reconciliation to help the host country recover from the trauma of conflict. It is regretful that those tasked with upholding the rule of law sometimes do not observe the law themselves. The goal of security, development and human rights for all must be strongly advanced and those UN personnel held responsible for violating the codes of conduct must certainly be held accountable.

We therefore concur that it is essential to ensure that all United Nations personnel are neither exempt from the consequences of criminal acts committed at their duty station, nor unjustly penalized. The legal gap in jurisdiction has been identified as the main barrier in this regard and to

address the problem the Secretariat has proposed several short term and long term measures.

As regards the short term measures, we support the proposal that the General Assembly could adopt a resolution strongly 'urging Member States to establish, as a minimum, jurisdiction over their nationals who commit serious crimes as they are known and defined in their existing domestic criminal laws, where that conduct also constitutes a crime under the laws of the host State'. This would fulfill the requirements of double criminality, which is a condition precedent in some jurisdictions to invoke jurisdiction. Other short term measures proposing inclusion of similar language requiring Member States to ensure accountability in Mission specific resolutions of the Security Council and the Memorandum of Understanding with contributing Member States can also be considered.

As regards long term measures, the Secretariat has expressed its support for development of a Convention to close the legal gap in matters of jurisdiction.

Mr. Chairman,

At the meeting of the Ad hoc Committee in April this year, my delegation had stated that future deliberations on long term measures may not be focused or geared only towards elaboration of a convention. We still feel that the gaps in the current system can be plugged through various other means, like those suggested in the Secretariat's Note under the rubric of short term measures or through development of a model law as indicated in the Report of the Group of Legal Experts.

We are not fully convinced at this stage of the necessity of developing a convention. Many States, including India, do not need a convention to establish jurisdiction over their nationals for crimes that have been committed outside their territory. Such jurisdiction already exists. If only a small number of States do not assert extraterritorial jurisdiction for ordinary crimes then that problem should be addressed through more focused efforts directed at those countries.

The other fundamental issue that we see is the 'scope *ratione personae*', particularly with respect to military personnel employed as experts on mission. Despite very cogent explanation and rationale provided by the Secretariat for the distinction between military observers

and military members of national contingents, it may be difficult to implement differential treatment under national laws.

As regards "establishment of jurisdiction", the recommendation by the Group of Legal Experts that the host State should itself establish criminal jurisdiction conforms to principle of territoriality but needs to be carefully examined particularly in situations where the legal/law enforcement machinery for gathering such evidence may be missing or, even if available, is weak and hence unable to function effectively. The Secretariat's Note identifies several options for such situations but such ad hoc measures may not be able to produce reliable, credible and legally admissible evidence.

Further, any future legal regime on the subject in the form of a binding international treaty/convention may require a long time to get adopted and it will be effective and enforceable only between the States parties. Therefore, we believe that at this juncture it is important to first implement the short term measures and assess their efficacy and after such assessment take a decision, if needed, on any long term measures.

Thank you Mr. Chairman



**620. Statement by Permanent Representative at the UN
Nirupam Sen on the question of Afghanistan at the
Security Council.**

New York, October 15, 2007.

Mr. President,

Let me begin by expressing my appreciation for your successful stewardship of the Security Council over the past fortnight. Let me also express my appreciation for the dedication shown by Special Representative Tom Koenigs, and wish him all the best in future.

Mr. President,

Today's debate on Afghanistan is most opportune, taking place a fortnight after the High-Level Meeting chaired by the UN Secretary-General and His Excellency, President Karzai. As on that occasion, today's meeting affords us an opportunity to reaffirm our commitment to the stabilization and reconstruction of Afghanistan. As the Minister of External Affairs of India noted two weeks ago, India is fully committed to implementing the benchmarks of the Afghanistan Compact and to addressing the inter-related security, political and developmental challenges facing Afghanistan.

The central task in Afghanistan involves addressing, in the face of insecurity created by vicious terrorist violence, the socio-economic challenges that are the result of decades of strife, destruction and privation. The challenge before the international community is, on the one hand, to ensure security while helping resolve these problems, while on the other, to transform our respective high-level political commitments into operational strategies and concrete outcomes on the ground. Only if we succeed in all three tasks can we create the conditions that engender greater national ownership of security, reconstruction and developmental processes in the long-term. It is an unavoidable reality that it is only in the long-term that we can rebuild national institutions destroyed over the decades.

Therefore, our collective goal must be to build upon the significant successes recorded thus far, while recognizing the fact that the road ahead is long. We must redouble our political and economic commitment to help Afghanistan over the medium- to long-term, and ensure that our determination is unshaken by short term developments. The resolve displayed by UNAMA in this context, in expanding its presence to 17 offices,

is commendable. We look forward to further expansion as and when capacities are created.

In this context, no challenge is more of a test of our collective resolve than that posed by the security situation. It is also the threat that could most quickly undermine our collective efforts in Afghanistan. Therefore we cannot and must not underestimate the ferocity of the Taliban and Al-Qaeda resurgence. India fully appreciates the Government of Afghanistan's position that the challenge of terrorism, in particular the growing trend of suicide attacks, cross-border infiltration, and the nexus between terrorism and drug trafficking requires a robust international political solution and a stronger domestic military response. At the same time, as our Minister underscored, security challenges must be addressed realistically. That is to say, we in the international community must provide appropriate responses, including security enforcement and economic and developmental strategies that rapidly bring the benefits of governance and development to people in the worst-affected districts. We can ill-afford partial solutions that provide only temporary relief in limited areas: terrorism cannot be fought piecemeal.

With regard to the inter-related aspect of addressing the developmental challenge, India believes that the good work being undertaken by the international community in Afghanistan can only be sustained in the longterm if we invest in developing Afghan human resources. For this, a multipronged approach is required: on the one hand, we must invest in rebuilding infrastructure and generating employment, and on the other, we must progressively transfer the necessary skills and managerial authority to the Afghan people so that they can take on the ownership of these projects.

For our part, I must underline that India's commitment to the rebuilding and development of Afghanistan remains unflinching. Our assistance programme, which has been in place since the Berlin Conference, has now reached US\$ 750 million. Of this total pledge, India has already disbursed around US \$ 300 million in the implementation of various assistance projects since 2002. Our projects cover the gamut of activities, ranging from capacity building projects to infrastructure creation and reconstruction.

With regard to capacity-building, India has trained more than 2,700 Afghan citizens in India. Since 2006, we have annually trained 500 Afghan public officials in short-term courses and 500 Afghan students at University-level courses in India. India is also implementing a capacity-development programme in public administration, in partnership with the UNDP, to depute

30 Indian civil servants to assist in various Afghan Ministries. In addition, India is including a strong capacity-development component in all its infrastructure projects in Afghanistan. As regards projects, apart from completion of ongoing mega-infrastructure projects, India is now simultaneously focusing upon Small Development Projects. These include activities that require the participation of local communities. Such projects are aimed at providing the most direct “peace dividend” to communities that are yet to see the benefits of development. India has worked to align its assistance programmes with Afghan priorities. Our projects are being implemented in close coordination with Afghan stake-holders, focusing particularly on local implementation, management and ownership of assets.

Mr President,

As a country with traditionally close historic, cultural and regional links with Afghanistan, it is natural for us to see regional cooperation as the third pillar for stabilizing Afghanistan. Regional economic cooperation is an important benchmark of the Compact, and is a strategic element of the Afghanistan National Development Strategy. Afghanistan’s entry into the South Asian Association for Regional Cooperation in April 2007 will not only further strengthen its historical links with the South Asian region, it will also provide the region lasting benefits in free trade and shared economic activities. In this context, several important regional cooperation events have taken place over the past few years, including the Kabul and New Delhi Regional Economic Cooperation Conferences.

However, the central challenge remains the need to develop coordinated measures to implement the programmes formulated in these regional processes. These include addressing key and topical challenges, such as cross-border terrorism, upgradation of law enforcement and governance capacities, facilitation of overland transit as well as expansion of trade and business linkages.

Mr. President,

In conclusion, at the macro-level, our best response to those who seek to drive the international community out of Afghanistan is to display our heightened sense of resolve. We can only succeed by showing that our commitment is long-term and our resolve is unshaken. Most importantly, we must work together in a more effective partnership with the Government of Afghanistan. As the latest report of the UN Secretary-General underlines, strong leadership from the Afghan government must be matched by “greater

donor coherence”, and a strong commitment from all of us in the neighbourhood. This remains the key to collectively building upon the gains made since the Bonn Conference.

I thank you.



621. Statement by Member of Parliament and Member of the Indian Delegation to the UN Santosh Bagrodia on Agenda Item 52: Macro-economic Policy Questions; [b] International Financial System and Development; and [c] External Debt Crisis and Development at the Second Committee of the 62nd session of the UNGA.

New York, October 15, 2007.

Mr. Chairman,

We would like to thank the Secretary-General for the detailed and comprehensive reports on the macroeconomic policy questions being considered on the agenda today. We associate ourselves with the statement made by Pakistan on behalf of the Group of 77.

Mr. Chairman,

It is a matter of grave concern that 2006 was the tenth year in succession with net financial resources transfer from developing countries to developed countries. Rather than promoting transfer of resources from developed to developing countries in order to assist national development efforts of the latter, the international financial architecture appears to support and encourage such flows. Worse, this resource transfer is steadily increasing, and has now reached US\$ 0.6 trillion. Surely, this gigantic sum of money would have been better utilized in promoting poverty eradication in developing countries!

Despite variations across countries, reserve accumulation accounts for a significant portion of the resource flow from developing countries to developed countries. The Secretary-General's reports have correctly highlighted this to be “selfinsurance” reserves i.e. reserves to minimize the need for reliance on international bailout in case of future crisis. It has also

correctly noted that these reserves are for precautionary reasons, not mercantilist. We must collectively acknowledge that such actions are a direct consequence of conditionalities, later proven to be harmful, imposed by the Bretton Woods Institutions [BWIs] in their lending policies. Such actions are also a telling comment on the failure of these institutions in fulfilling their basic mandate, including in the guarantee of global financial stability. We have been witnessing a growing trend among borrowers to pre-pay their loan obligations rather than continue with BWI mandated “policy packages”. This is also highlighted in the Secretary-General’s report, which notes the large negative flows from BWIs during the last three years. We fully agree with the Secretary-General that this pattern raises profound questions about the role of these institutions in financing for development, and on their continued relevance and effectiveness. There is an urgent need to address the fundamental structural problems of the international financial architecture.

We have repeatedly stressed on the need for urgent reform of the BWIs in order to provide greater legitimacy and increase the effectiveness of these institutions. The reform must enhance the voice and participation of developing countries in these institutions, thereby responding to the needs of concerns of the majority of countries affected by their operations. The Secretary-General is right in stating that “comprehensive governance reforms aimed at solving the problem of under-representation of developing countries in global financial institutions are indispensable at this time”. Given its unique role and legitimacy, the United Nations must oversee this process and conduct periodic reviews of BWIs. The newly strengthened Economic and Social Council [ECOSOC] would be the most appropriate body to implement this. For this purpose, there is an urgent need to effectively strengthen the technical capacity of the Department of Economic and Social Affairs, so that it could assist the ECOSOC in discharging these functions.



622. Statement by Member of Parliament and member of the Indian Delegation to the UN Ms. Sushma Swaraj at the First Committee of 62nd session of the UNGA.

New York, October 16, 2007.

Mr. Chairman,

My delegation is most happy to see you, a distinguished representative of a friendly country, in the chair of the Committee on Disarmament and International Security, the First Committee of the General Assembly, which has been the incubator of several important global disarmament initiatives since its inception.

2. Indeed, the very first resolution adopted by the General Assembly, Resolution 1(1) of 1946, unanimously and unambiguously called for elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction, and the use of atomic energy only for peaceful purposes, a goal reaffirmed by the General Assembly repeatedly. The very existence of nuclear weapons, and consequently the ever present possibility of their use, poses a threat to mankind. This is the central message of the first UNGA resolution and the Final document of SSOD-I.
3. The ban on biological and chemical weapons raised the hope that a similar prohibition could be imposed on the remaining weapon of mass destruction, namely nuclear weapons. However, nuclear weapons stockpiles, both strategic and non-strategic, are still too large, and mostly on hair-trigger readiness. The threat of nuclear war remains real.
4. Our goal has to be the total elimination of nuclear weapons for a nuclear-weapon-free world. This was the core of the Action Plan presented by former Prime Minister Rajiv Gandhi at the Third Special Session of the General Assembly on Disarmament in 1988. It provided a holistic framework for disarmament with those with the biggest arsenals having greater responsibility for nuclear disarmament. Speaking before the General Assembly on October 1 the Minister for External Affairs of India said "India's longstanding commitment to universal, non-discriminatory and comprehensive nuclear disarmament is embodied in the vision of late Prime Minister Rajiv Gandhi for a "nuclear-free and non-violent world". This vision

was put forward nearly two decades ago. It remains undiminished today. Indeed it is all the more relevant today, given that fact that peaceful uses of nuclear energy can address the inexorably growing demand for new and non-polluting sources of energy to fuel economic development." The Minister for External Affairs also stated that we would be bringing proposals to Member States and this organisation in this regard.

5. Once the international community agrees on the goal of a nuclear weapon free world, all states could work together to elaborate incremental and progressive steps for realising that goal. Simultaneously, the international community could also craft a security system in which States do not feel the need to develop, produce, stockpile or use weapons of mass destruction. Both would require changes in attitudes, doctrines and national security postures to bring them more in line with today's globalised, interdependent world.
6. While maintaining a credible minimum nuclear deterrent, India remains committed to nuclear disarmament, which enjoys strong domestic consensus. India has remained steadfast to the goal of a nuclear weapon free world, to be achieved through global, verifiable and non-discriminatory nuclear disarmament. India's responsible nuclear doctrine is based on no first use and non-use of nuclear weapons against non-nuclear weapons States. We are prepared to turn these commitments into multilateral, legally-binding obligations. The doctrine also reaffirms India's readiness to join multilateral negotiations for the reduction and elimination of nuclear weapons. India has continued to observe a moratorium on nuclear explosive tests. We are ready to participate in negotiations, in the Conference, on a non-discriminatory, multilateral and internationally and effectively verifiable treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices, subject to its meeting India's national security interests. We also believe that the Conference on Disarmament must find practical ways of addressing the issue of nuclear disarmament in a comprehensive and nondiscriminatory manner.
7. Mr. Chairman, our commitment to nuclear disarmament is reflected also in the resolutions that have we been sponsoring in the First Committee and the General Assembly. We are convinced that a

multilateral, universal and binding agreement prohibiting the use or threat of use of nuclear weapons under any circumstances would contribute to the elimination of the nuclear threat and create a climate for negotiations for an agreement on the prohibition of nuclear weapons. We, therefore, intend to once more table the resolution that requests the Conference on Disarmament to begin negotiations on such a convention.

8. While the international consensus to ban nuclear weapons develops, we should take measures to mitigate the dangers posed by these weapons. We propose to table again the resolution on reducing nuclear danger, which offers modest and practical proposals, calling for a review of nuclear doctrines, as also urgent steps to reduce the risks of unintentional and accidental use of nuclear weapons, including through de-alerting and detargeting of nuclear weapons.
9. Besides the threat to the safety and security of mankind from the likely use of nuclear weapons by States, there is now a new threat emanating from possible use of weapons of mass destruction by terrorists and non-State actors. We hope that the resolution on measures to prevent terrorists from acquiring weapons of mass destruction, which has been adopted by this Committee and the General Assembly by consensus since 2002, will receive similar endorsement this year, with an even greater number of sponsorships. In this context, we welcome the entry into force of the International Convention for the Suppression of Acts of Nuclear Terrorism on 7 July 2007.
10. As a responsible nuclear power, we stand for strengthening global nonproliferation, as proliferation has already affected our security interests adversely. A constructive dialogue needs to be evolved for stemming proliferation without unduly constraining peaceful uses of nuclear energy.
11. India remains constructively engaged in collateral disarmament processes, including on small arms and light weapons, the Biological and Chemical Weapons Conventions and the Convention on Certain Conventional Weapons. India has completed destruction of 84 per cent of its chemical weapons stockpile and is committed to destroying its entire stockpile by April 2009. India was also among the first 23 States to ratify Protocol-V of CCW on Explosive

Remnants of War that entered into force last year. With this, India has become one of 25 countries to have signed and ratified CCW and all its five Protocols.

12. The First Committee and the General Assembly have a special role in forging a better understanding on the entire range of issues on the global disarmament agenda. Through such an exercise, they can promote purposive actions internationally and provide useful direction to the disarmament negotiating body, the Conference on Disarmament. The challenges and opportunities in the areas of disarmament, non-proliferation and international security require multilateral solutions. They also need a renewed commitment by States and a global compact to undertake collective obligations. India, on its part, is ready for such an exercise.

I thank you, Mr. Chairman



623. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dr. Rameshwar Oraon on Agenda Item 85: Report of the Special Committee on the Charter of the UN and on the strengthening of the role of the Organization at the 6th Committee of the 62nd session of the UNGA.

New York, October 16, 2007.

Mr. Chairman,

At the outset, we wish to thank Ambassador Towpik of Poland, the Chairman of the 'Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization', for his skilful guidance of the last session in February. We would also like to extend our appreciation to the other Members of the Bureau.

Maintenance of international peace and security is the primary responsibility of the Security Council, which acts on behalf of all members of the UN in the discharge of its duties. The Security Council, which mandates sanctions, has the nodal responsibility for finding solutions to the problems of third States affected by UN sanctions. Article 50 of the UN Charter confers the

right on third States confronted with special economic problems, because of the Security Council sanctions, to consult the Security Council for solution to those problems. We do not consider Article 50 of the Charter as merely procedural. It obliges the Security Council to find definitive solutions to the problems of affected third States. India's stand has been from the beginning that the Security Council should hold the primary responsibility towards the affected third States, as a part of its sanctions-imposing decisions. India aligns itself in this regard with the Statement made by Cuba on behalf of NAM that the Security Council is obliged to directly focus upon the effects on third States of any sanctions under Chapter VII of the UN Charter.

Mr. Chairman,

We thank the Secretary General for his report on "Implementation of the provisions of the Charter of the United Nations related to assistance to third States affected by the application of sanctions". We are pleased to note the various measures taken by the Security Council to mitigate the effects of sanctions, ranging from standardizing humanitarian exemptions to developing delisting procedures and establishing a focal point. These measures are aimed at ensuring that sanctions are targeted and have consequently led to significant reductions in unintended economic consequences for third States. In this regard measures like defreezing of funds to allow contractual dues are also steps in the right direction. We are pleased to note that due to various steps taken so far no Member State has approached any sanctions committee concerning special economic problems arising from the implementation of sanctions.

These important steps have been successful as in the recent past the Security Council, as part of the international community's effort to counter global terrorism, has moved from sanctions against States to targeting individuals and non-state entities. However, these measures may not really work if the Security Council decides to mandate a major new sanctions regime directed against a State. The issue of third country hardships considered by some to be moot now is likely to resurface again in such a situation. Therefore, we think that the Russian proposal still remains relevant and adoption of fair and clear procedures in the UN sanctions process will strengthen its effectiveness and credibility. In this regard a comprehensive framework would provide the requisite transparency and certainty in procedures. India therefore supports the idea of establishing a working group within the Sixth Committee to take up the matter of sanctions and third States.

As regards the Russian proposal on Peacekeeping Operations under Chapter VI of the UN Charter, we believe that while the political and operational aspects of peacekeeping are being dealt with by other specialised committees, this Committee could contribute to the subject from the legal angle. The allocation of the agenda item on 'Comprehensive Review of the Peacekeeping Operations in all their respects' to the Sixth Committee also reflects the need for focused legal scrutiny of the subject.

Turning to the joint proposal of the Russian Federation and Belarus seeking an advisory opinion of the ICJ on the legal consequences of use of force without a decision of the Security Council taken pursuant to Chapter VII, we are of the view that consideration of such a reference would provide an opportunity to clarify the position on certain important legal aspects.

Mr. Chairman,

A Cuban proposal aimed at redefining the powers and functions of the General Assembly and its relationship with the Security Council has been under the consideration of the Special Committee on UN Charter for some time now. India attaches great importance to the reform of the United Nations, including the revitalization of the General Assembly and a comprehensive reform of the Security Council. The continuing encroachment of the mandates of the General Assembly by the Security Council is of great concern to the general membership of the United Nations. The clear demarcation of powers in the Charter or the expansion of non permanent membership has not prevented this. Only an expansion in the permanent membership with new permanent members held accountable through reviews would introduce the necessary checks and balances that would prevent such encroachment. We reiterate India's commitment to the strengthening of the United Nations and enhancing of its efficiency.

Mr. Chairman,

We regard the Repertory of Practice of the UN organs to be a valuable source of information on the application of the Charter and an indispensable tool for the preservation of the institutional memory of the United Nations. We support the continuation of work on it. We also support updating of the Repertoire of the practice of the Security Council.

In conclusion, Mr. Chairman,

We are encouraged that the Special Committee after many years has been

able to make modest progress and adopt some important decisions. Its decision on improvement of working methods of the Committee, we sincerely hope, would lend a new momentum to the work of this important Committee. In this respect we are willing to look at new proposals that would contribute to the revitalization of the work of the Special Committee and the United Nations and are confident that these would garner wide support.

Thank you, Mr. Chairman.



624. Statement by Member of Parliament and Member of the Indian Delegation to the UN Prasanna Acharya on Agenda Item 63: [a] Advancement of Women and [b] Implementation of the outcome of the Fourth World Conference on Women and of the 23rd special session of the UNGA at the Third Committee of the 62nd session of the UNGA.

New York, October 16, 2007.

Mr. Chairman,

We thank the UN Secretary-General (UNSG) for his reports on Agenda Item 63. We have also studied with interest the UNSG's Report on 'Intensification of efforts to eliminate all forms of violence against women'. My delegation broadly associates itself with the statement made by the Chair of the Group of 77.

The 2005 World Summit reaffirmed that full and effective implementation of the Beijing Declaration and Platform for Action and the Outcome of the 23rd UNGA Special Session by all countries is essential for achieving the internationally agreed development goals, including the Millennium Development Goals (MDGs). The focus after the 2005 World Summit has rightly shifted to identification of sources for financing gender. While primary responsibility rests with the country concerned, the international community should match up to its commitment by provision of new and additional financial resources, transfer of technology, sharing of experiences, expertise, information and data, technical cooperation and capacity-building.

Notwithstanding the normative and legal advances over the last several

decades, particularly as regards the rights of women and their social and economic advancement, the gap between de jure and de facto equality remains in much of the world. The need of the hour is speedy implementation of legislative and policy measures for greater empowerment of women, besides gender mainstreaming at all levels. It is also equally important to address the continued violation of the rights of the girl child and the detrimental impact it has on society as a whole. We support the Secretary-General's call that the international community while addressing the vulnerabilities of the girl child, should advocate protection measures and also welfare and development of the girl child characterized by four Es—equality, education, enabling environment and empowerment.

Mr. Chairman,

The UNSG concluded in his Report on 'Mainstreaming a gender perspective into all policies and programmes of the UN system' that much more needs to be done to overcome challenges and to bridge capacity and knowledge gaps within the UN system. Lack of knowledge among the senior managers, including the resident coordinators, on how to operationalize gender mainstreaming policies is a matter of concern. Another area requiring immediate attention is achieving 50/50 gender distribution, especially at senior and policy-making levels in the UN. We support the UNSG's recommendation to strengthen gender mainstreaming accountability frameworks within the UN system.

Mr. Chairman,

Gender equity and equality has been a key guiding principle of the Common Minimum Programme of the Government of India. As the Prime Minister of India, Dr. Manmohan Singh, noted "We remain deeply committed to this objective because I believe no civilized society, no modern polity, no developing economy can ignore the aspirations and the rights of women." India's planning process is fully committed to enabling women to be equal partners in development. A separate Department for Women and Child Development, created in 1985, was upgraded to a Central Ministry in 2005. An essential component of the 11th National Five Year Plan (2007-12) for gender empowerment and equity includes special measures on four aspects namely violence against women, economic empowerment, political participation and women's health. The Joint Parliamentary Committee of the Indian Parliament on Empowerment of Women continues to play a crucial role in monitoring the application of gender equality principles in all legislation and also to ensure that legislation in India is gender responsive.

The reservation in India twelve years ago of one-third of urban and local selfgovernment seats for women marked a turning point in our effort to empower women. As a result, over one million Indian women at the grassroots level have been brought into political decision-making. A similar reservation of seats for women in the Indian Parliament remains under consideration.

Mr. Chairman,

To realise the goal of reducing the female poverty ratio by 5% by 2007 and by 15% by 2012, a number of result-oriented programmes have been initiated in India. A National Rural Employment Guarantee programme was launched in 2006, which provides 100 days assured wage employment annually to every rural household with at least one-third women beneficiaries. The Government actively encourages and supports group initiatives in formation of women's self-help groups. Today there are more than 2 million women self-help groups in the country supporting more than 10 million rural families. India is implementing the Act passed by our Parliament on Social Security for Workers, including women workers, in the unorganised sector. To enhance women's employability in high-end vocations, strong emphasis is being laid on skill building through exclusive institutes of vocational training. New schemes are being implemented to widen the base of women entrepreneurs, including special schemes promoted by financial institutions/banks. As a result, the number of women entrepreneurs in India has risen very considerably.

Government initiatives for gender equality have been buttressed by the proactive role of the higher judiciary, particularly the Supreme Court of India. The right to approach the Supreme Court for enforcement of fundamental rights is itself a fundamental right and in proceedings under Article 32 viz. Right to Constitutional Remedy, the Court has addressed issues of concern to women in several innovative ways.

Another crucial step taken towards gender mainstreaming is in institutionalization of gender-sensitive budgeting. Gender budgets have now become an integral part of the budget exercise. So far 50 Central Ministries have set up gender cells in order to mainstream gender concerns in their policies and programmes. All Ministries in the Government are required to prepare outcome budgets that will ensure effective utilisation of the amount allocated for women in the budget.

Violence against women is found in all countries and must be urgently and

seriously addressed. The enactment by the Indian Parliament in 2005 of 'The Protection of Women from Domestic Violence Act' constitutes an important milestone in tackling this scourge in India. We look forward to the UN Secretary-General's global campaign on violence against women to be launched towards the end of 2007.

Mr. Chairman,

In the UN context, India was honoured to provide the first-ever Female Formed Police Unit, which recently joined the UN Mission in Liberia (UNIMIL). This participation also reflects India's commitment to assist the UN in more effectively reaching out to vulnerable sections particularly women and children, in conflict and post-conflict societies.

India stands ready to work with the international community for early realisation of the Millennium Developmental Goals through effective implementation of gender empowerment and gender mainstreaming both within and outside the UN.

Thank you, Mr. Chairman.



625. Statement by Member of Parliament and Member of the Indian Delegation to the UN Ms. Sushma Swaraj on Agenda Item 64 [a] and [b] - New Partnership for Africa's Development: Progress in Implementation and International Support and Agenda Item 47: Decade of roll-back of malaria in developing countries particularly in Africa at the 62nd session of the UNGA.

New York, October 18, 2007.

Mr. President,

We thank the Secretary-General for the Fifth consolidated Report on Progress in Implementation and International Support for New Partnership for Africa's Development (NEPAD) and the other reports prepared for this joint debate. We broadly associate ourselves with the statement made by the Chair of the Group of 77. But I would like to deal with some of the issues discussed in the Report.

Mr. President,

First of all, I will talk about Malaria. It is regrettable that Malaria continues to plague several regions of the world, particularly in many parts of Africa. As a former Health Minister of India, I can say with authenticity that this disease affects people of all ages but is particularly dangerous and debilitating in young children and pregnant women. It disproportionately affects poor people and exacerbates the poverty of poor countries and communities by incapacitating the work force, decreasing economic productivity and reducing output. In rural areas, where the transmission season generally coincides with planting and harvesting season, malaria imposes a dual burden on the poor. The human suffering and economic losses caused by malaria are unnecessary as the disease is preventable, treatable and perfectly curable too. The Report talks about mosquito nets and adequate resource flow. That is necessary. But what is more necessary is protecting access to affordable generic medicines, which, I am sorry to say, the present IPR regime does not protect. Therefore, I would like to emphasize that the UN should try to improve this situation. Equally necessary is economic development that historically eliminated malaria from the developed world. For this, capacity building, science and technology and a truly developmental Doha Round are all necessary. Many essential matters flow from this imperative of economic development.

Mr. President,

The Secretary-General's Report on 'Causes of conflict and the promotion of durable peace in Africa' states that the last few years have witnessed many positive developments in Africa and that the number of armed conflicts has been significantly reduced. The Secretary-General is right in saying that more action is needed both to strengthen and support Africa's own efforts to bring peace to the continent and to tackle the wider sources of armed conflicts.

In this context, India welcomes the creation of the Peace Building Commission. India is strongly committed to the objectives and work of the PBC, and has contributed to the resources of the Peace Building Fund. The mobilization of resources is the key vehicle by which the international community can assist post-conflict societies in addressing critical issues in peace consolidation, on the basis of national ownership of this process. Hopefully this would bring the Bretton Woods Institutions (BWIs) into the ambit of a larger perspective. It is worth remembering that many African countries where conflicts have broken out were, during the preceding

decade, under an IMF programme for 60 to 80% of the time: economic advice given to them on trade, subsidies and agriculture made many reel back into civil conflict. Therefore, the UN has to play a central role in the reform of BWIs, including a much greater voice and participation of developing countries, which would make the BWIs more responsive to their needs, including those of Africa.

India has been one of the oldest, largest and most consistent contributors to UN Peacekeeping missions in Africa. Indian soldiers have been part of the UN Peacekeeping and Observer Missions in more than 10 African countries including the first UN Mission to Congo established in 1960. Presently, there are more than 8,000 Indian personnel on ground in Africa. The Indian soldiers have been recognized for their humanitarian and basic infrastructure projects, including provision of medical, water and vocational training assistance programmes. India has also contributed lady military and police officers to UN Missions in Africa. In a response to Secretary-General's call, India provided the first full female formed police unit for peacekeeping work in Liberia at the beginning of this year. In addition to its normal duties, this unit has been successful in reaching out to the most vulnerable sections of society i.e. women and children.

Mr. President,

Despite positive developments, the Secretary-General reminds us of the serious challenges that lie ahead; challenges posed by poverty, economic development, access to basic education, healthcare and adequate nutrition that are stumbling blocks to unleashing the latent talent of the African peoples. It is in this context that the Report of the Secretary General on NEPAD assumes significance. NEPAD reflects the commitment of African countries to implementing their own programmes of development and self-reliance, and the commitment of the international community to support these efforts.

The Secretary-General's Report highlights the extensive measures and actions taken by African countries and organizations to implement the objectives of NEPAD. The Report highlights details of achievements of African countries in the areas of infrastructure, agriculture, health, education, environment, information and communication technology, science and technology, gender mainstreaming and civil society involvement as well as the progress of the African Peer Review Mechanism.

While several measures have been initiated by the international community

to support NEPAD, and there is indeed a greater understanding and awareness about the special needs of Africa, NEPAD can succeed only if the global partnership delivers in terms of resources. That the total ODA to Africa provided by the Development Assistance Committee (excluding debt relief) declined in real terms in 2005 and stalled in 2006 or that with the continuation of present trends, the Group of Eight will not be on track to meet their commitment of doubling aid to Africa by 2010, cause pessimism. Timely fulfillment of the commitments made by the Group of Eight at the 2005 Gleneagles Summit, as well as those made at the 2007 Heiligendamm Summit is an imperative.

The problem of indebtedness has received the attention of the international community. The Multilateral Debt Relief Initiative (MDRI) and the HIPC Initiative combined are currently helping African countries through savings in debt servicing. The MDRI will, however, not be fully successful unless donor countries adequately offset the lost debt repayments to the International Development Association and the African Development Fund, thus maintaining their capacity to issue new grants and affordable loans.

As we have seen, external assistance and an optimal enabling international economic environment have to be governed by the logic of economic development. For instance, the Doha Round has to address the problem of tariff escalation so that there is an incentive for Africa to specialize in processing rather than in raw-materials. Consequently, trade that helps development, reform of the international financial architecture, meeting ODA commitments and the like are all essential for the achievement of the objectives of NEPAD. Historically, the invasions of Africa were in search of raw-materials, ivory, gold and diamonds. Unless there is a complete break with this, the difference will be one of degree rather than kind from those who marched in the armies of Cecil Rhodes. The great African writer Chinua Achebe in his "Anthills of the Savannah" has made the point that the most important problem in Africa is not governance but foreign manipulation. This prevents the coming into their own of the "poor and dispossessed" who are "the bruised heart that throbs so painfully at the core of Africa's being".

Mr. President,

India's solidarity with Africa goes back a long time. The Hon'ble Foreign Minister of South Africa, speaking at the informal Plenary of the UN General Assembly on 2nd October 2007 to observe the First International Day of Non-Violence, said that South Africans are proud to claim Mahatma Gandhi

as one of their own because it is in South Africa where he developed and fashioned Satyagraha as a tool of liberation.

India's economic cooperation with Africa is undertaken through the contribution to NEPAD, as well as through several bilateral and other projects and programmes. Initiatives such as Team-9 (Techno-Economic Approach for Africa-India Movement), the cooperation with the African Union and the Southern African Development Community and others are in addition to the several bilateral cooperation efforts between India and Africa that cover inter alia infrastructure (including railways), food processing, information and communication technology, pharmaceuticals and small & medium enterprises. Indian companies while contributing to economic growth are encouraged to use the mechanism of joint ventures and employ African managerial and labour talent.

India has been making its contribution to Africa's human resource development efforts through training of personnel under the ITEC programme (with an outlay of one billion dollars) and provision of experts to several African countries. Cooperation through the supply of materials and medicines, including anti-retroviral drugs to fight HIV/AIDS are a part of our overall effort. The Pan-African e-network project is proceeding on schedule. The network is aimed at sharing India's expertise in the fields of healthcare and education with all the countries of Africa and will connect 53 African countries into one network through satellite, fiber optics and wireless links to provide tele-education, tele-medicine and voice and video conference facilities amongst African Heads of State.

In conclusion, I would like to express the hope that with such initiatives, very soon we will see a self-reliant Africa, an economically and technologically vibrant Africa. We wish them all the best.

I thank you, Mr. President.



626. Statement by Member of Parliament and Member of the Indian Delegation to the UN Santosh Bagrodia on Agenda Item No. 61: [a] to [c] – Operational Activities for the Development of the UN system; Triennial Comprehensive Policy Review of Operational Activities for Development of the UN system; and South – South Cooperation for Development at the Second Committee of the 62nd session of the UNGA.

New York, October 18, 2007.

Madam Chairperson,

India welcomes this opportunity to participate in the discussions on this important agenda item. We thank the Secretary-General for the comprehensive documentation prepared for our discussions. We associate ourselves with the statement made by the Chair of the Group of 77.

The TCPR process provides a valuable opportunity to Member States to take stock of the functioning of the operational activities for development of the UN system and to make recommendations for the future work of the UN development system based on the present context and conditions while keeping in mind the longer term perspective. The review assumes added significance this year given that we are touching the half way mark for the achievement of the Millennium Development Goals (MDGs) and not enough progress has been made so far. This lends urgency to our task of improving the effectiveness and efficiency of the UN development system to enable it to make a meaningful contribution to the efforts of countries to achieve the MDGs.

Madam Chairperson,

Financing of the UN Development System is perhaps the most fundamental factor in the ability of the UN system to deliver effectively. However, the Secretary- General's Report (A/62/73) states that official development assistance diminished in 2006 to 0.3% of the GNI of countries members of the OECD/DAC, from 0.33% in 2005. Without overlooking either the reasons for this or the increase in ODA over 2004, the data underscores the need for urgent effort, given the large shortfall in the resources required to attain the MDGs.

We note with concern from the Report (A/62/73) that the share of core resources in the total contributions received by the UN system has been falling continuously and decreased from 54.4% in 2003 to 44.3% in 2005 in real terms. The growing reliance on supplementary funding undermines the core mandates of the entities of the UN development system. We note, moreover that if all humanitarian funding is subtracted from the total amount of supplementary resources, the growth in resources for long term development cooperation would not be as significant. The predictability and the dependability of funding for development is another important issue. While there has been some progress in this regard, we are not comforted by the observation of the Secretary-General that multi-year funding frameworks have not significantly advanced the predictability of funding.

If the UN development entities are to continue their activities in fulfillment of their mandates, there is no alternative to adequate core resources. The growth of supplementary funding is reported to be a definite factor in increasing the transaction cost of all entities, hindering efforts to maximize efficiency. The failure to make full cost recovery has also been raised by the Report as an important matter with policy implications that requires urgent attention. The lack of full cost recovery creates the false impression that the management of projects from supplementary funding is more efficient than the regular programmes, which undermines the entities' ability to attract core funding in the long term. We hope that these issues would be addressed by Member States during the consideration of this agenda item.

Madam Chairperson,

GA Resolution 59/250(TCPR) emphasizes the role of capacity building in development and the role of the UN development system in this area. We have noted the efforts of the Chief Executives Board (CEB) in implementing the recommendations of Resolution 59/250. In the current context, the UN development system must address the capacity building needs of countries of very diverse profiles and needs. We would, therefore, also emphasize the need for capacity building within the system. This should be done through training of existing staff. However, where necessary, we should not be shy of supporting the recruitment of new professional staff.

We note that UN development entities have become increasingly mindful of the need to give priority to the engagement of national staff and the use of national expertise and institutions. It is also useful that the practice of national execution is becoming widespread. We support the continued

strengthening of the use of national execution as well as national expertise and institutions. The UN development system must also make serious efforts to adapt its efforts to the existing financial and technical capacities of the recipient governments and their national institutions.

National ownership and leadership of the development process, and the coordination of all external aid by the recipient country, adds to the sustainability of results, while building capacity at the same time. National ownership and leadership have been emphasized in several GA and ECOSOC resolutions. Continued emphasis and strengthening of national ownership and leadership should therefore be one of the primary objectives of the UN development system.

Madam Chairperson,

India has a long standing commitment to South-South Cooperation. This commitment is reflected in the large number of bilateral projects and cooperation efforts with other developing countries. We, therefore, welcome the effort that the UN development system is investing in South-South Cooperation. However, we believe that there is a long way to go. Not only is there need for adequate funding for this purpose by the UN development entities and through triangular cooperation, there is also need for greater use of the experience, expertise, knowledge and capacities of the South in the ongoing work of the UN development system. Entities of the UN development system should make greater effort to mainstream modalities to support South-South cooperation in their programmes and through their country level activities and country offices. Contributions of the developed countries, through resources for replicating experiences, and through technological know-how, are also important and add a positive dimension to South-South cooperation.

Gender mainstreaming is another important area of focus. India supports the strengthening of the capacity of the UN development system for gender mainstreaming. In today's world, there is a growing awareness and enhanced effort by the developing countries towards achieving gender equality. While advocacy is important, in the current context there is an even greater need for technical and knowledge based support to developing countries' efforts towards strengthening gender equality and empowerment of women. The UN development system needs to equip itself to better support these efforts.

While we examine the aspect of gender mainstreaming in the work of UN

development entities, we cannot ignore the aspect of gender balance within the UN. We may acknowledge the greater awareness, and perhaps commitment, to this objective within the UN Secretariat; but we must express concern at the significant decline in the representation of women at senior levels, especially in the professional category, as also the relatively low percentage of woman Resident Coordinators. We are also concerned at the lack of analysis about the representation of women from developing countries, a need emphasized by Resolution 59/250. We believe that any consideration of gender parity in the UN is incomplete without a discussion about the representation of women from developing countries, especially at senior levels.

The Report highlights the need for adequate funding in the context of transition from relief to development as well. We underscore the need for enhancing the focus on the transition from relief to development especially in post-natural disaster situations. Following the establishment of the Peacebuilding Commission and the Peacebuilding Fund, this area remains a significant gap.

Madam Chairperson,

We would like to briefly touch upon the issue of reform. The purpose of the reform of the UN development system is to improve its efficiency through reduced transaction costs and to enhance its effectiveness by increasing the impact on the ground. The report of the Secretary-General informs us about the increased allocations for the Resident Coordinator system and additional posts of Country Directors, but not about the savings achieved, nor about the impact on reporting burdens of field offices, or the consequent improvement in delivery. In addition, the reform proposals should display the flexibility to address the diverse set of needs of developing countries, both large and small, low income and middle income, as well as countries recovering from conflict. The ongoing reform and other reform proposals, such as those presented in the context of System-wide Coherence must prove their value on these criteria through a thorough examination and evaluation.

I thank you, Madam Chairperson



627. Statement by Member of Parliament and Member of the Indian Delegation to the UN Rameshwar Oraon in the Special Political and Decolonization Committee (Fourth Committee) on Agenda Item 35: Questions Relating to Information.

New York, October 22, 2007.

Mr. Chairman,

At the outset, kindly accept my congratulations on your election as our Chair. Please do also convey our best wishes to the other office bearers of the Committee.

I would also like to take this opportunity to appreciate the comprehensive statement by Under-Secretary-General for Communications and Public Information, Mr. Kiyotaka Akasaka, on the introduction of this agenda item. I am confident that the Department of Public Information (DPI) under his dynamic leadership would play a pivotal role in disseminating the message of United Nations across the world.

My delegation broadly associates aligns itself with the statement of the Chair of G-77.

Mr. Chairman,

The defining characteristic of the work of this Committee lies in its relationship with the Department of Public Information, and the ensuing cooperative effort to continually improve upon the delivery of relevant information inputs to millions of potential users across the world. Against this backdrop, I would like to briefly touch upon the following points of interest to my delegation.

Perhaps the most important issue we need to focus on is how to make the work of the Department of Information as relevant and accessible as possible to the largest number of users, enabling it to be an effective conduit for the flow of information between the UN and the peoples of the world. For this, it is essential that the widest possible spectrum of technologies be utilized. This includes the use of modern technologies, such as webcasts, as well as cost-effective and more traditional forms of communication, such as the radio and print media, which remain of great importance in reaching out to people in parts of the developing world. Many countries simultaneously

straddle several centuries in technological terms, and it is vital that the product presented by DPI is disseminated through a wide menu of media channels. While we appreciate the efforts made so far in this regard and take note of improvements made in the UN home pages, DPI's audio library and media accreditation system, there remains room for further improvement.

We also fully support the effort to facilitate the emergence of a more linguistically equal world, in which information is disseminated not merely in UN official languages, but also in other languages. There is also merit in increasing the level of local content and involvement in the production of programme material. Doing so will have the advantage of making information more relevant locally, while simultaneously encouraging local talent and creativity to involve itself in the work of the UN.

A related issue, Mr. Chairman, is the question of UN Information Centres, which are crucial in enhancing the public image of the UN and in disseminating its message, particularly in the developing world. We agree with the view expressed by many delegations that our goal should be to strengthen, rather than weaken, these information outposts of the United Nations. Hub and spoke models may appeal in certain managerial contexts, where local sensitivities and regional variations need not be important. However, it makes little sense to employ them in a people-intensive sector such as the media. We take note of the workshop that is planned in Bangkok in January 2008 for UNICs in Asia and the Pacific and hope it would contribute to meeting the challenges.

The argument in favour of a more relevant outreach effort by the UN is also related to the larger objective of creating more locally relevant content and greater local involvement in the work of the United Nations. This should logically also be a larger objective of the UN, since the UN will in turn become more widely relevant by virtue of being more locally accessible.

We appreciate the work being done to provide information that is relevant and meaningful, while simultaneously being interesting and entertaining. This is no easy task, and efforts made have been highly creditable. However, those working on content management should never be satisfied with the status quo, but should be motivated by a constant desire for further improvement. While it is important that the DPI's programmatic products continue to cover the gamut of UN activities, such products must also improve their coverage and projection of the most significant activities of the UN, in particular, those that impact most upon the lives of people. These

include humanitarian activities and the work performed, often under extremely arduous circumstances, by UN peacekeepers.

We would continue to urge that DPI and DPKO work in tandem to further raise awareness about UN peacekeeping and highlighting peacekeeping success stories. This would go a long way towards generating goodwill and projecting a better image for the UN and its peacekeepers, both locally and globally. In this context, we would encourage DPI to play a more effective role in rebutting mischievous news stories based on, unverified and distorted facts intended to cast UN Peacekeepers in a negative light.

We commend DPI for its efforts to promote and publicise the first observance of the International Day of Non-Violence on 2 October 2007, the birthday of Mahatma Gandhi. We would urge it to work even more actively to give ever greater momentum to the dissemination of the message of nonviolence worldwide.

In conclusion, Mr Chairman, I would like to assure you of India's support as you guide the work of this Committee, as also of our support to the DPI as it tackles the formidable challenges before it.

Thank you, Mr. Chairman.



628. Statement by Member of Parliament and Member of the Indian Delegation to the UN Subash Maharia on Agenda Item 81: Report of the United Nations Commission on International Trade Law on Work of its 40th session at the 6th Committee of the 62nd session of the UNGA.

New York, October 22, 2007.

Thank you Mr. Chairman,

India attaches considerable importance to the work of the United Nations Commission on International Trade Law and its efforts to establish and promote modern private law standards on international trade.

We are pleased to note the progress made by the Commission at its fortieth Session in July. We welcome the completion of work on this important topic that would promote access to low-cost secured credit. We support

the effort towards harmonizing UNCITRAL and UNIDROIT model laws on this subject and preparation of an annex in this regard.

A second annex to the draft Guide on 'security rights in intellectual property' would be an important addition to the subject as a significant part of corporate wealth is included in intellectual property assets. The participation of international organizations with expertise in the area would help ensure the successful and timely completion of this work.

Mr. Chairman,

The Working Group on Arbitration is currently engaged in revising the UNCITRAL Arbitration Rules. Given the fact that a number of arbitration centers have adopted these UNCITRAL Rules, it becomes important that any revision of these rules should not lead to the alteration of the structure of the text. We are also of the view that the Working Group should adopt a generic approach applicable to all types of arbitration, rather than a dispute specific approach.

Mr. Chairman,

My delegation would like to express its appreciation to the Working Group on Transport Law, which has completed the second reading of the draft convention and has made good progress on a number of complex issues. We also note with satisfaction the progress of other Working Groups.

As regards the working methods of the Commission, we welcome the comprehensive review being undertaken in this regard. Given the highly technical nature of the work, we would support inclusiveness and transparency.

We also note with appreciation the continuing work under the CLOUT system. It continues to be one of the important technical assistance activities being undertaken by UNCITRAL and contributes greatly to the benefit of practitioners in the developing world and law students.

We commend the efforts of UNCITRAL towards coordination of activities of international organizations in the field of international trade law and are confident that the Commission will be able to carry out its plans for further development of international legal instruments in the field of international trade law.

Thank you, Mr. Chairman.



629. Statement by Member of Parliament and Member of the Indian Delegation to the UN Mrs. Sushma Swaraj on Agenda Item No.70: Human Rights Question: [a] Implementation of Human Rights Instruments; [b] Celebration of the 60th Anniversary of the Universal Declaration of Human Rights at the 3rd Committee of the 62nd session of the UNGA.

New York, October 23, 2007.

Mr. Chairman,

We thank the UN Secretary-General for his report titled "Effective Implementation of international instruments on human rights, including reporting obligations under international instruments on human rights", and other reports under the agenda item 70 (a) on "Promotion and protection of human rights: Implementation of human rights instruments". We would also like to thank the delegation of Benin for timely inclusion of a sub-agenda item titled "Celebration of the 60th anniversary of the Universal Declaration of Human Rights".

Mr. Chairman,

The 2005 World Summit, in its elaboration of the role of human rights, acknowledged that peace and security, development and human rights are the pillars of the United Nations system and the foundations for collective security and well-being. Beginning with the adoption of the Universal Declaration of Human Rights (UDHR) in 1948, a body of covenants and conventions have been evolved to promote universal respect for and observance of human rights and fundamental freedoms all over the world. As human rights are indivisible and inter-related, it is appropriate to place economic, social and cultural rights, including the right to development, at the same level as civil and political rights. The purpose of development, in the words of the UN Charter, is to "promote social progress and better standards of life in larger freedom". The treaty bodies created to assess the implementation of obligations of States should regard development, democracy and human rights as a single compact while doing so.

Mr. Chairman,

Effective and coordinated implementation of international human rights

instruments is of vital importance and we welcome, therefore, the efforts of the Chairpersons of the human rights treaty bodies to attain an integrated and balanced administration of rights. Attempts to radically restructure the treaty bodies as proposed by the UN High Commissioner for Human Rights in the form of a Unified Standing Treaty Body to replace the existing seven treaty bodies, is not a panacea for existing problems. Not only is such a proposal fraught with serious legal challenges but it also ignores the distinct and unique scope and nature of different Conventions. The ongoing innovative efforts to change working methods and to streamline reporting requirements of Member States through revised harmonized guidelines, including guidelines on a common core document and treaty-specific documents, are steps in the right direction. The treaty body system should strive to ensure human rights protection at the national level through the implementation of the human rights obligations undertaken by the States Parties with optimum fulfillment of reporting requirements.

The creation of the treaty bodies was pushed forward by the developing countries about six decades ago. There was hope and faith placed in the work of the United Nations in achieving freedom, equality and dignity for all. What we see today is a gradual erosion of that faith. Tendency of politicisation of the treaty bodies is also a cause for disquiet. Unless this trend is reversed and the balance on the promotional aspect of human rights restored, universalization of the treaty instruments will continue to remain a dream.

Mr. Chairman,

India has been actively participating and supporting the efforts of the international community to evolve a normative framework for promotion and protection of human rights. Representing India at the historic debate of the first session of the Commission of Human Rights in 1947 which propounded the Universal Declaration of the Human Rights (UDHR), Dr. Hansa Mehta, a parliamentarian and social activist, hoped that the UDHR would be of an imperative nature and an "instrument" binding on all member states. Dr. Mehta also made sure that the UDHR spoke with power about equal rights for women well before they were recognized in most legal systems. Subsequent Indian delegations have continued to participate actively in finalisation of international conventions.

Three significant developments during the 61st session of the UNGA are the adoption of two international conventions viz. UN Convention on the Rights of Persons with Disabilities and the International Convention for the

Protection of All Persons from Enforced Disappearances, and the adoption of a Declaration viz. UN Declaration on the Rights of Indigenous Peoples. I am happy to inform that India became the seventh country to ratify the UN Convention on the Rights of Persons with Disabilities. India also signed the International Convention for the Protection of All Persons from Enforced Disappearances on the first day it was opened for signature in Paris in February 2007. It also supported the adoption of the UN Declaration on the Rights of Indigenous Peoples by the UNGA in September this year.

India has also been paying considerable attention to meet its reporting obligations. The second and third combined report of India was considered by the Committee on Elimination of Discrimination against Women (CEDAW) in January this year, and the report to the Committee on the Elimination Racial Discrimination (CERD) in February this year. India also submitted its latest report to the Committee on Economic, Social and Cultural Rights (ICESC) in October 2006.

Mr. Chairman,

As we move towards the 60th anniversary of the Universal Declaration of the Human Rights in 2008, the Member States should undertake a close introspection of the progress made so far in evolution of a normative framework of human rights as well as the methods adopted for its effective realisation. The treaty body system has an immense role to constructively aid and guide States Parties to implement their international legal obligations and also in ensuring that the human rights of all people are protected.

I thank you, Mr. Chairman.



630. Statement by Member of Parliament and Member of the Indian Delegation to the UN Prasanna Acharya on Agenda Item 128: Capital Master Plan at the 5th Committee of the 62nd session of the UNGA.

New York, October 23, 2007.

Mr. Chairman,

I would like to thank Mr. Michael Adlerstein, Assistant-Secretary General & Executive Director of the Capital Master Plan (CMP) for introducing the Secretary-General's report on this agenda item. We welcome his appointment to this important office and wish him all success in his assignment. We also thank Mr. Rajat Saha, Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), for introducing the relevant report of the Advisory Committee. We express our appreciation to the Board of Auditors for its report on the CMP for the year ending 31st December 2006.

My delegation associates itself with the statement made by the Chair of the Group of 77.

Last year, following many years of tedious negotiations, the General Assembly had approved the budget and the strategy for the much needed Capital Master Plan to renovate and refurbish the UN headquarters building in New York. Member States had been persuaded into adopting the Strategy IV based on detailed briefings and extensive negotiations, as the best possible option for undertaking the most complex project ever undertaken by the Organization. At this juncture, we would be less than honest if we do not say that we are a little surprised, not just due to the CMP related time and cost overrun but also by the fact that a new Accelerated Strategy IV is now being proposed to us as a better way forward. While we are appreciative of the merits of the proposed Accelerated Strategy IV, as it expedites the project from 7 to 5 years and that too within the approved budget of Dollars 1.867 billion; makes up for the lost time; lowers construction-related risks and reduces the disruption of the Organization's work due to prolonged construction activity, we wonder why these elements which also existed in the past were not incorporated in the original Strategy-IV that had been presented to Member States. Henceforth, we should be vigilant that as we embark on the CMP strategy that might be eventually chosen, a proper risk assessment for the project is undertaken and plans to mitigate those

risks are also put in place, so that we are not back to square one in the future. We also call for all recommended technical surveys and studies related to the project to be undertaken before the construction starts in order to ensure that safety and security of the structure is not compromised due to this lacuna.

While the complexity of the decision-making process by Member States in the UNGA is well-known and should be factored into all proposals presented by the Secretary-General, we are disturbed by the ACABQ's comments regarding the risk of lack of commitment to the project on the part of some of the involved UN departments as a reason for cost overrun and delay in implementing the CMP. It should be made abundantly clear that the CMP belongs to all of us: the Member States, their peoples and UN Staff. Therefore, total commitment and full cooperation and coordination on the part of all concerned UN departments is not just an expectation, but an imperative. It is the solemn duty of all heads of departments to ensure that they deliver whatever is required of their departments for an effective and efficient implementation of the CMP. In that regard, we hope the newly appointed Executive Director would provide the required leadership to overcome these challenges.

One cannot argue with the economics of the proposed accelerated- Strategy IV for the CMP. It proposes to give us the renovated UN headquarters building, within the approved budget, in a shorter time-frame. As mentioned in the Secretary-General's report, this Strategy would also identify an amount of Dollars 190.1 million out of a total cost overrun of Dollars 219.6 million, through "value engineering". While agreeing with the ACABQ that the planned value engineering exercise is worth pursuing, we would keenly monitor it and also evaluate its outcome. Needless to say, pursuit of value engineering should not be at the expense of quality required for the CMP.

The UN belongs to all Member States and in that spirit of collective ownership, my delegation calls for increased procurement opportunities for vendors from developing countries for the CMP project. The GA resolution 61/251 has called for procurement processes to be conducted in a transparent manner. We would caution against inserting unnecessary restrictive clauses in tender documents that might exclude vendors from developing countries on flimsy grounds.

The bottom line for my delegation is that eventually whatever strategy is approved by Member States for implementing the CMP, we would require firm assurances against any further cost escalations, strict adherence to

the construction schedule and delivery of highest quality construction for the project. We look forward to further clarifications in the informal discussions.

Thank You.



**631. Statement by Permanent Representative at the UN
Nirupam Sen on Agenda Item 78: Responsibility of States
for Internationally Wrongful Acts at the 6th Committee of
the 62nd session of the UNGA.**

New York, October 23, 2007.

We thank the Secretary General for his useful Report containing compilation of cases in which international courts, tribunals and other bodies have referred in their decisions to the International Law Commission's State responsibility articles and commentaries, including the draft articles provisionally adopted from 1973 to 1996.

We also take this opportunity to acknowledge once again the excellent work done by the International Law Commission on the Draft articles on responsibility of States for internationally wrongful acts. We wish to express our appreciation to Mr. James Crawford, the Special Rapporteur on State Responsibility for enabling the Commission to complete the second reading in just four years, while the first reading in comparison took more than forty years. We are equally grateful to the other four Special Rapporteurs for their notable contribution to the subject of State Responsibility.

We have commented on the various aspects of the law of State Responsibility at each stage of the development of the Draft Articles. The draft articles have several merits. They are concise and the concepts involved have been made less complicated for application. Some of the most difficult articles have been refashioned and they exhibit sensitivity to the needs of States in difficult circumstances.

The Draft Articles no longer provide for the concept of State crimes. The Commission has brought in its place the concept of serious breach of an obligation arising under a peremptory norm of general international law. The commentary to this article gives several illustrations of such norms.

The complexity of the concept of countermeasures and synergies between the countermeasures section and provisions on attribution of state conduct, the timing of an international law breach, circumstances precluding wrongfulness, the remedies available for injuries and standing to invoke responsibility, all merit a mention as some of these articles incorporate what has been termed as constructive ambiguities.

Mr. Chairman,

Some speakers have argued in favour of a Convention or at least a Resolution. The argument regarding not taking any steps that could unravel the careful balance in the text should make us cautious on both these ideas. Additionally, it is worth recalling that there are now only six from the original twelve crimes that had been identified and included in the draft Code and the concept of crimes has been replaced by serious breach of obligation. It also needs to be remembered that colonialism and serious harm to the environment were also listed in draft Article 19 on State Responsibility adopted in the first reading by the ILC. It was argued by developed countries that these were only of historical relevance. The current relevance of the latter is becoming more acute by the day as we are seeing in the UN and shall see at Bali. After the warmth of debate on State crimes, it was a little anti-climactic that we ended with jus cogens and erga omnes. In the case of such peremptory general international law obligations, these are not very different from those applicable to other serious breaches except for the obligation to bring the breach to an end. But this was a natural and reasonable conclusion and hence we can see that the careful balance we have referred to is a delicate balance reached with difficulty and demanding future caution.

Mr. Chairman,

The international structure is still decentralized and we cannot rush ahead of institutional developments and the development of the international legal system without risking counterproductive effects. Jennings had spoken of the "inadequacy of the international legal system" and said that we should not float on "flights of erroneous fancy from the Nuremberg Tribunal" and delude ourselves that we "are developing international law". Therefore, Mr. Chairman, we are of the view that at this stage it will be prudent to maintain the careful balances in the text that the ILC struggled for years to achieve. A subject that took more than forty years to fructify would best serve the needs of international community, to quote from David Caron, only if "it is

weighed, interpreted and applied with much care". In this regard, for the present, we are happy to note the reception of the ILC's articles on State Responsibility into international law through State practice, decisions of courts and tribunals and writings of jurists.



632. Statement by Member of Parliament and Member of the Indian Delegation to the UN Santosh Bagrodia on Financing for Development at the High Level Dialogue of the UNGA.

New York, October 24, 2007.

Mr. President,

We welcome this opportunity to participate in the High-level Dialogue of the General Assembly on Financing for Development. This meeting is particularly opportune in the light of the Review Conference on the Implementation of the Monterrey Consensus on Financing for Development, to be held in Doha in 2008.

Mr. President,

Effective implementation of the commitments undertaken at Monterrey remains its weakest link, with commitments not being transformed into concrete action. This is particularly true of action with regard to 'systemic issues', which underpins progress in all other areas of the Monterrey Consensus. Real progress in implementing the Consensus has to involve a fundamental and comprehensive reform of the international financial and monetary architecture in order to address its democratic deficit, with enhanced voice and participation of developing countries in decision making and norm setting. Only then can we ensure a more conducive environment for addressing the challenges of financing for development. While a few steps have been taken, much more remains to be done.

Ensuring enhanced and predictable financial resource flows for developing countries in order to assist them in pursuing their development agenda is at the core of the Monterrey Consensus. Unfortunately, progress towards this basic objective has been limited. There is a clear recognition of the huge gap that exists between the resources required by developing countries

to achieve Internationally Agreed Development Goals, including the Millennium Development Goals, and the projected resource flows. This is compounded by the fact that actual resource flows are far less than commitments undertaken.

A case in point is the Official Development Assistance [ODA]. While there has been an increase in private flows to some developing countries, the importance and need for ODA cannot be overemphasized. Private sector inflows do not effectively reach social sectors or infrastructure projects, and cannot eliminate the need for ODA or involvement of public sector investment. Impact of private flows on employment generation, which is recognized as an indispensable element of domestic resource mobilization, has also been marginal in many cases. The Monterrey Consensus explicitly recognizes the role of the State in socio-economic development, and of public investment. Hence, the drop in ODA last year, and the projections of negative trends for future ODA flows, are a matter of grave concern. It is estimated that ODA will taper off in 2007 and will be no more than 0.36 per cent by 2010. We believe there is a need for a more robust and efficient monitoring mechanism to track ODA flows, and the implementation of Goal 8 of the Millennium Development Goals. The continuing, and increasing, flow of financial resources from developing countries to developed countries is another concern that we have been collectively unable to address. Further, counting debt relief that does not lead to release of resources for development on account of debt arrears, as aid, is another flaw in the current system. We hope the Development Cooperation Forum of the strengthened Economic and Social Council will take the lead in examining these important issues, including undertaking a periodic review of the policies of Bretton Woods Institutions.

Mr. President,

Enhancing trade is a crucial component in ensuring the sustainability of development. Developing countries still face severe market access restrictions. We reiterate the need for early and substantive progress at the Doha round of trade negotiations, based on the primacy of the development dimension. It is illogical to link the interests of subsistence farmers in developing countries with the subsidized and trade-distorting agricultural practices in many developed countries, or with the issue of Non-Agricultural Market Access. The overarching principles of "less than full reciprocity" and "special and differential treatment" remain categorical imperatives. In putting these into practice, I am happy to reiterate that by

the end of 2007, imports from Least Developed Countries into India will face a zero tariff regime.

Reforms of the international financial architecture should include trade financing so that export credit agencies and multilateral development banks act in a countercyclical manner. We also need to both stimulate new and innovative sources of finance and ensure that they do not weaken the resolve of developed countries to meet their ODA targets and do not crowd out other forms of finance.

The issue of external debt, despite progress by a few countries, continues to pose significant challenges to developing countries, particularly low-income countries and Least Developed Countries. Hopes of releasing additional resources for development through debt cancellation have been realized only marginally since many countries had debt arrears. The pace of debt relief initiatives has also been very slow, and the impact of past debt-constrained structural adjustment policies have not been overcome. Moreover, debt relief measures have not addressed holistically the underlying problems, covering the need for greater policy space towards inclusive economic growth, better terms of trade, greater access to markets and investment flows. We believe that new measures for debt restructuring and mechanisms such as an international debt commission overseen by the United Nations through the Economic and Social Council, are required urgently to address the issue of external debt of developing countries.

Mr. President,

In conclusion, I would like to reiterate the importance of effective implementation of the Monterrey Consensus. We hope that the 2008 Review Conference would focus on strengthening implementation and follow-up.

Thank You.



633. Statement by Member of Parliament and Member of the Indian Delegation to the UN Rameshwar Oraon on Agenda Item 31: International Cooperation in the peaceful uses of Outer Space in the General Debate of the Special Political and Decolonization Committee [Fourth Committee] of the 62nd session of the UNGA.

New York, October 25, 2007.

Mr. Chairman

The Indian Delegation is pleased to see you chair our deliberations on international cooperation in the peaceful uses of Outer Space at this Session. We would also like to take this opportunity to warmly congratulate Dr. Gerard Brachet of France for successfully guiding the deliberations of the 50th session of COPUOS.

This year marks fifty years since the Sputnik became the first man-made object to orbit the earth. The United Nations General Assembly and the UN Committee on Peaceful Uses of Outer Space (COPUOS) have made significant contribution since then to strengthening international space cooperation and to maintaining the peaceful character of outer space. This has benefited both spacefaring and space-using nations. As we look ahead at exciting new ventures in the next fifty years of the space age, my delegation is convinced that international cooperation, particularly under UN auspices, would play an even more important role than it has since the launch of Sputnik.

India participated actively in the deliberations of the 50th Session of the COPUOS during which the Committee reviewed the works and recommendations of the 44th Session of the Scientific and Technical Sub-committee and the 46th Session of the Legal Sub-committee. The Indian Delegation is delighted that during the 44th Session of the S&T Sub-committee of the COPUOS, consensus has been reached on the acceptance of the Space Debris Mitigation Guidelines document. The Indian delegation considers this as one of the significant and concrete results being achieved towards successful implementation of the UNISPACE-III recommendations. Similarly, the contributions of the Legal Sub-committee over the years in developing the international legal regime of Outer Space have been quite noteworthy. In our view, the Legal Sub-committee occupies a leading and prestigious role in evolving and safeguarding the entire body of International Space Law, which is founded on ethical principles.

My delegation endorses the report of the COPUOS.

Mr Chairman

The Indian Space Programme continues to prioritise utilization of Space technology for socio-economic development. This has resulted in specific user driven application programmes using remote sensing, meteorological and communications satellite systems. Let me briefly present for the information of delegates the significant achievements made by India in the space field since the last session.

During January 2007, Indian Space Research Organisation (ISRO)'s Polar Satellite Launch Vehicle, PSLVC7, successfully launched four satellites. These included two national primary satellites and two auxiliary satellites belonging to an international customer. In March 2007, India's communication satellite INSAT-4B designed for meeting Direct-to-Home television broadcasting requirements was successfully launched by European Ariance-5 launch vehicle from Kourou, French Guyana. It carried 12 high power Ku-band and 12 C-band transponders. In April 2007, India's workhorse Polar Satellite Launch Vehicle, PSLV-C8, successfully launched the 350 kg AGILE satellite of the Italian Space Agency. Last month, ISRO's Geo-synchronous Satellite Launch Vehicle GSLV-F04 successfully launched the national communication satellite INSAT-4CR.

In the area of Space Application programmes for national development and in the context of our effort to provide quality education across the country, the Tele- Education project undertaken a couple of years back has made considerable impact. ISRO has also undertaken a Tele-Medicine project with a view to reaching medical expertise to remote and inaccessible areas. The number of Tele-Education, Tele- Medicine and Village Resource Centre networks has increased in recent years providing for better outreach. The Village Resource Centre is a single window delivery mechanism for a variety of space based products and services, such as teleeducation, tele-medicine, information on natural resources for planning and development at local level, interactive advisories on agriculture, fisheries, land management, live stock and water resources management. Today the Village Resource Centres that have been established across the country are providing valuable inputs to the local community and helping them in addressing a variety of social and economic challenges.

Mr Chairman

A very important element of India's space activity has been international cooperation. We continue to cooperate with a number of space related agencies through bilateral and multilateral agreements.

In 2006, two major workshops were held in India. The first, held in August 2006, was sponsored by the UN, India and the United States and focused on "Tele- Medicine in the Reconstruction of Afghanistan". The other was in the context of the International Heliophysical year 2007 and focused on basic space sciences. The Indian Space Research Organisation is also participating in the Sentinel Asia project initiative, conceived under the aegis of the Asia-Pacific Regional Space Agency Forum.

India hosted the 58th International Astronautical Congress at Hyderabad from 24th to 27th September 2007 under the umbrella of International Astronautical Federation, International Academy of Astronautics and International Institute of Space Law. Special events befitting the 50th anniversary of the space age were organized during the Congress.

Mr Chairman

India takes special interest in sharing its expertise and services in the application of space technology with developing countries. The Centre for Space Science and Technology Education Asia and Pacific Region, affiliated with the UN is an initiative in this direction. The Center has so far carried out 26 Postgraduate programmes of a duration of nine months and 3 are currently under way. In addition, it has organized a number of short-term courses/workshops. So far 708 scholars from 30 countries from the Asia-Pacific region and 26 scholars from 16 countries outside the Asia-Pacific region have benefited from the educational activities of the center.

Mr Chairman

Utilization of outer space for peaceful purposes serves the interests of all nations. The long-standing international consensus on peaceful uses of outer space could be undermined by deployment of weapons in outer space or of weapons that target assets in outer space. There is a need therefore to redouble efforts to ensure that space remains the common heritage of mankind for peaceful uses and to avoid any steps towards its weaponisation. This is the responsibility in particular of all space-faring nations. India supports a multilateral engagement to build consensus on international

instruments banning the weaponisation of outer space and for elaborating CBMs and transparency measures in outer space activities.

In recent times, the free availability of high-resolution imagery of sensitive areas on the Internet has emerged as a concern for many nations. There is a risk that such information may be misused by irresponsible actors, especially terrorists. In this context, it is important that guidelines consistent with national policies are evolved to regulate the availability of such sensitive data in the public domain.

Mr Chairman, the UN has an important role to play in increasing awareness of the relevance of space applications for sustainable development and in encouraging nations to take up space application programmes. India would continue to participate actively in UN activities for cooperative uses of space science and for maintaining outer space as a shared, peaceful heritage of mankind.

Thank you.



634. Statement by Member of Parliament and Member of the Indian Delegation to the UN Subhash Maharia on Agenda Item 86: The Rule of Law at the National and International level at the Sixth Committee of the 62nd session of the UNGA.

New York, October 25, 2007.

Thank You Mr. Chairman,

India strongly supports adherence to the rule of law both at the national and international level. We see promotion of the rule of law as an essential tool for ensuring sustainable development and peaceful coexistence and cooperation among States.

We welcome the establishment of the Rule of Law Coordination and Resource Group, with a small Secretariat Unit acting as a focal point for coordinating system-wide rule of law activities. The Group is expected to act as a repository of rule of law materials, expert rosters, web resources and best practices, in close cooperation with the relevant lead entities. Nevertheless, we wish to

point out that policy issues being debated elsewhere in the United Nations in the context of “system wide coherence” should not be linked to the coordination functions of this group or unit.

We understand that the ‘Secretariat Unit’ will serve as the ‘Rule of Law Assistance unit’ that was envisaged in the Outcome Document 2005. We hope that the setting up of the Resource Group and Secretariat Unit would help in coordinating the activities of all specialized agencies and organizations of the United Nations and ensure that there is no replication in their work on the promotion of the rule of law. This is necessary as presently several international organizations have technical assistance programmes whereby they undertake law reform assessments to assist developing countries inter-alia in drafting of national legislation to implement specific conventions and organize training activities to facilitate its implementation and interpretation. UNCITRAL, UNCTAD, UNEP and UNODC to name a few, all have well developed technical assistance programmes.

It is evident that the United Nations needs to rationalize and harmonise its rule of law work, and coordinate more effectively within the United Nations and with outside actors. Towards this end the Secretary General was requested to prepare an inventory of the current activities of various UN entities devoted to the promotion of the rule of law. We thank the Secretary General for submitting an interim Report and await the Final Report next year.

Mr. Chairman,

Another Report by the Secretary-General on “Uniting our strengths: enhancing United Nations support for the rule of law”, in the context of transitional justice, groups the rule of law activities of the United Nations into three “baskets”- Rule of law at the international level; Rule of law in the context of conflict and post-conflict situations; and Rule of law in the context of long-term development. To achieve these objectives, the Secretary General has proposed that a division of labour among the key United Nations actors in which designated lead entities would assume clearly defined coordination and other responsibilities for specific areas of rule of law activity.

To achieve the aforesaid integrated approach and comprehensive strategy for all rule of law assistance activities, a more detailed identification of the nature and scope of technical assistance being provided by each entity would be crucial. We hope that the comprehensive inventory to be submitted by the Secretary General at the sixty third GA Session would also focus on this aspect.

Mr. Chairman,

As regards the agenda item before the Sixth Committee, the challenge before us is how to have a structured discussion on the subject. Given the enormous scope and content of the topic, we support the suggestion that the Sixth Committee should choose only one or two subtopics each year and have a detailed discussion on them.

In this regard my delegation would favour giving equal emphasis to both the national and international aspects of the rule of law. However, many delegations still have doubts and reservations about the exact nature and scope of this topic. Therefore, we consider that it would be useful to have an exchange of views both on the scope of 'rule of law at the national level' and 'scope of rule of law at the international level' so that Member States can arrive at a common understanding. The proposal submitted by the Non Aligned Movement seeks to address this concern. A widely shared understanding of the subject, its scope and purpose would facilitate more focused work in future.

Thank You, Mr. Chairman



**635. Statement by Permanent Representative at the UN
Nirupam Sen on Agenda Item 128: Proposed program
budget for the biennium 2008-09 at the Fifth Committee
of the 62nd session of the UNGA.**

New York, October 26, 2007.

Mr. Chairman,

We would like to thank the Secretary-General, Mr. Ban Ki-moon for introducing the proposed programme budget for the biennium 2008-2009. We express our appreciation of the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) for introducing the relevant report of the Advisory Committee. We also thank the Chairman of the Committee for Programme and Coordination for introducing the report of the CPC. My delegation associates itself with the statement made by the Chair of the Group of 77.

Mr. Chairman,

A budget is a financial statement that reflects the goals and vision of the organization and allocates resources efficiently and in a prioritized manner between these. A financially sound budget, reflecting accurately the priorities of the United Nations, is essential for attaining the goals that we as Member States have set for the Organization. Unfortunately, the proposed budget for the biennium 2008-2009 falls short on both counts of budgetary rigor and accurate reflection of the Organization's priorities.

The regular budget is expected to present the fullest possible picture of the Organization's requirements for a given period. Some unpredictability is unavoidable and has to be addressed through supplementary demands, which should be an exception rather than the norm. What we are witnessing here is the opposite. Important items with significant budgetary implications, such as reforms of the DPKO/DFS, DPA, ICT, Enterprise Resource Planning and costs related to the decisions of the Human Rights Council and ECOSOC, are being presented outside the scope of the regular budget, making supplementary demands the norm and marginalizing the regular budget. This episodic approach to the budget process subverts the budgetary system and budgetary discipline. It deprives us of a complete picture of resource deployment, thereby blurring our judgment about the prioritized allocation of resources. The budget becomes a mere epiphenomenon.

The UN depends on core-funding, voluntary funding and the peacekeeping budget. We, therefore, have a fragmented structure of finance. Combining this with a piecemeal structure of the budget is a recipe for disaster. The Secretary General spoke of the budget as a compact. The Report "Towards a Compact" of the Four Nations Initiative (comprising Chile, South Africa, Sweden and Thailand) makes the important point that a compact means trust and "trust and the lack of it has both political and technical aspects". The technical aspects of the budget that we have outlined would undermine trust and therefore the compact. The above Report as well as Canada on behalf of CANZ and Norway this morning spoke of the importance of result based budgeting as an instrument of transparency and accountability and therefore a management tool. We agree. However, result based budgeting has been used for the mechanical purpose of the budget and not as a management tool.

Mr. Chairman,

The Secretary General described peace, human rights and development as three pillars that have to go hand in hand, otherwise “we cannot hope to achieve our goals”. He also outlined how an ounce of prevention is better than a tonne of cure and hence advocated the strengthening of the preventive diplomacy capacity of DPA. Going deeper than preventive diplomacy is development which can make both less necessary. Most important of all, the Secretary General said that economic advancement and social equity cannot be geopolitical after-thoughts. The budget outlay shows development to be a geopolitical after-thought with more geopolitical thoughts in the shape of political and security outlays to follow this sad and solitary geopolitical after-thought. The Secretariat in preparing the budget has not heeded the Secretary General’s vitally important and wise guidance. A truly balanced and equitable budget should have the Secretary General’s guidance as its foundation. Resource allocation between development on the one hand, and peace & security and human rights on the other is completely lopsided. In the budget proposals, we observe that the increase in resources for promotion of sustained economic growth and sustainable development has been limited to eighteen new posts, translating to a 0.5% real growth. Development in Africa has been “strengthened” by one post. Similarly no increase has been proposed for the Regular Program of Technical Cooperation. It is puzzling that the Development Account budget has remained constant at \$16.48 million, when more and more resources are being demanded and allocated for other areas. The starkness of the current situation is more evident if compared to the indicative target of \$200 million originally set for the Development Account.

In contrast, human rights with 36 new posts and peace & security with 35 new posts, not including the 34 additional posts for the proposed DPA reform, have been treated more generously. The picture becomes clearer if we add to these figures the burgeoning extra-budgetary resources, amounting to \$ 6.6 billion for the biennium 2008-2009, which will be utilized mainly for peace & security and human rights & humanitarian assistance. As an example, from a net increase of 428 posts under these resources, 260 are for the Office of the High Commissioner for Human Rights.

Without undermining the importance that we attach to the other two pillars, we find that the budget exhibits an indifference to development, which is the top priority for the overwhelming majority of the Member States and a necessary condition for durable peace and security. We agree with the EU

on the imperative of budgetary discipline and the need to prioritize. Our priority is development. We call for an urgent redressal of this imbalance through allocation of greater resources for development-related entities like DESA, the Regional Commissions and UNCTAD. Given the reported flaws in the funding mechanism of the Development Account, we also call for new and practical proposals for financing it.

Mr. Chairman,

We have often heard the argument that the annual extra-budgetary contribution of \$15 billion to various UN agencies and programs is addressing the development needs and that the small-budgeted, development-related entities in the UN Secretariat do not reflect the real quantum of resources devoted for development and in fact are duplicative. Firstly, extra budgetary resources should reinforce the core-funding for core objectives and not substitute these because this skews priorities preventing proper integration into the budget. Of course member States need to pay their assessed contributions in full and on time. As former British Prime Minister Harold Macmillan once said: "There is the compulsory subscription and the voluntary subscription. The only difference between them is this. The compulsory is the one that you do not pay if you do not want to, and the voluntary is the one that you need not to pay unless you wish to" (quoted in Appendices to the Report 'Towards a Compact'). We are well aware that the modest resources for development in the regular budget are not a panacea for poverty eradication and development. Nonetheless, we are convinced that instruments like the Development Account, the Regular Programme of Technical Cooperation, UNCTAD, DESA, etc., are important for promoting development. Even though small, they act as catalysts and have a multiplier effect. The beneficiaries have time and again emphasized the relevance and usefulness of these programmes. We suggest that rather than undermining these, our endeavor should be to further strengthen these entities through provision of adequate resources to enable them to fulfill their mandates in an efficient and effective manner.

Mr. Chairman,

While being one of the staunchest supporters and practitioners of South-South cooperation, we believe that South-South Cooperation is not and cannot be a substitute for the fulfillment of commitments of development assistance made by the developed countries. As indicated in his introductory remarks, we look forward to the Secretary-General's proposals on strengthening the Secretariat to better serve this aspect of development.

Mr. Chairman,

Africa's needs have been recognized as a priority for the Organization. We appreciate the vital role played by the Office of Special Adviser for Africa and the Economic Commission for Africa (ECA) in Africa's march towards growth and development. While calling for expediting the appointment of the Special Adviser for Africa at the earliest, we convey our unequivocal support for initiatives to strengthen the ECA and the UN Office in Nairobi.

Mr. Chairman,

Resources are always finite. However, better results can be achieved through efficient resource allocation and sound management practices, which is the responsibility of the Secretariat. While adequate and high-quality human resources are a sine qua non for execution of the Organization's work programme, the United Nations is not an employment generation scheme, with creation of posts amongst its objectives. We are troubled by the fact that in the proposed regular budget, the cost of posts is estimated at \$ 2.7 billion out of a total regular budget of \$4.3 billion i.e. approximately 63% of the regular budget. If we include the extra-budgetary posts outlay of \$2.76 billion, the total cost of posts for the Organization amounts to \$5.5 billion i.e. 52% of the total budget. This essentially means that more than half the resources of our Organization go into staff costs. It is the responsibility of the management to increase the percentage of resources devoted to implementing the mandated programme of work rather than encourage a proliferation of posts on the pretext of programme support. Following the 1997-1998 SG's Report (A/51/950) the central reform was to cut Secretariat administrative costs by US\$200 million annually reducing administrative spending from 39% to 25%. Instead this has increased to 52% and 63%, more than twice the target figure of the reform. We have regressed. This is not reform but a counter reformation.

Mr. Chairman,

A budget is house-keeping. The UN budget is international house-keeping. It is a close reflection of this building. Like it, it is falling to pieces. We need a capital master plan (incidentally we strongly support the new CMP) to put this budget on its feet. Every buttress of this budget's gothic building is a flying buttress. The budget is ultimately also a political document and reflects the priorities of the UN in the shape of a financial statement. A cure for lack of resources is ad hoc donor-driven funding. A cure for inequalities and socio-economic problems that explode into civil conflict is peacekeeping.

Development is unimportant. It is a different vision of the world that the UN budget promotes – a sadder, diminished and less harmonious world. The budget needs to be fundamentally revised before it can be accepted. It has little to do with development, less with optimal use of resources and nothing at all with budgetary discipline. Technically it is inadequate and politically it is flawed.

We are confident that under your able stewardship this Committee would arrive at an outcome which would respond to the various concerns that have been raised by member States. I assure you of my delegation's constructive engagement in the deliberations ahead.

I thank you Sir



636. Statement by Member of Parliament and Member of the Indian Delegation to the UN Prasanna Acharya on Agenda Item 52[a]: Macroeconomic Policy Questions: International Trade and Development at the Second Committee of the 62nd session of the UNGA.

New York, October 26, 2007.

Mr. Chairman,

We thank the Secretary-General and the United Nations Conference on Trade and Development [UNCTAD] for the report on "International Trade and Development". We associate ourselves with the statement made by Pakistan on behalf of the Group of 77.

Mr. Chairman,

We share the Secretary-General's views on the importance of international trade as an engine of economic growth and development. Coupled with greater market access for developing countries, it is a crucial tool for developing countries in their efforts to eradicate poverty and to achieve the Millennium Development Goals. However, for developing countries to truly benefit from trade, the international trading regime must be made more equitable. Restrictions on market access by developed countries through tariffs, quotas and subsidies on products of interest to developing countries,

which detract from guaranteeing a fair and level playing field for developing countries, must be eliminated. Trade must be made pro-poor by linking exports to poverty-sensitive sectors of developing countries, and by supporting value addition in those countries, instead of perpetuating the role of developing countries as providers of raw materials.

In this regard, the Secretary-General has correctly emphasized the imperative of the development dimension in achieving progress in the Doha round of trade negotiations. The need for adherence to this mandate remains critical in order to realize a non-discriminatory and equitable multilateral trading system that contributes to meeting the development aspirations of developing countries. The paradigm shift in the international trading system needs to be recognized, and interests and concerns of developing countries must be given due weightage.

Mr. Chairman,

Progress on negotiations in agriculture remains the core issue at the Doha round. It is unfair to compare the subsistence farmers in developing countries, who have no other means of livelihood, with the subsidized large-scale commercial farming in many developed countries. Such subsidies have significant implications on food security and rural development in developing countries. We urge developed countries to demonstrate flexibility towards genuine reduction and elimination of such subsidies.

Given the enormous impact of the agricultural sector on developing countries, it is also unfair to link negotiations on agriculture with those on non-agricultural market access [NAMA]. To ensure sustainability of development, it is important that nascent industrial development in developing countries is not harmed and we do not face de-industrialization. We must ensure that the enshrined principles of “less than full reciprocity” and “special and differential treatment” are fully respected.

With regard to services, we agree with the Secretary General that Mode 4 can significantly enhance world welfare. Unfortunately, this is an area where developed countries have made the minimum binding commitments, which is further reduced owing to a number of entry conditions, as well as administrative and procedural requirements. We stress the need to ensure liberalised, commercially meaningful and effective market access in Mode 4. This would create a win-win situation by bringing tangible benefits to both developing and developed countries.

Technology plays a particularly key role in promoting development. Issues that affect humankind at large must be given special treatment. In this regard, we call for early action on the development-related mandate concerning Trade-related Aspects of Intellectual Property Rights [TRIPS] in the Doha Ministerial Declaration. We support flexibilities in the Agreement on TRIPS for public health concerns and stress the need to extend such flexibilities to climate-change technology transfer. We also support measures to make intellectual property rules fully supportive of the objectives of the Convention on Biological Diversity, particularly with regard to disclosure, prior informed consent and equitable benefit sharing. We need to consider setting up a special Committee of Experts in order to expedite action on these issues.

Mr. Chairman,

Promoting the benefits of trade must take into account the special needs of many developing countries, particularly Small Island Developing States, Landlocked Developing Countries and Least Developed Countries. Greater efforts must be made by the international community to build capacity, improve trade-related infrastructure and provide technical assistance, so that developing countries can remove supply side constraints and take advantage of international trade to promote development. There is urgent need to fully operationalise the "Aid for Trade" initiative. In order to address preference erosion, developed countries must implement their commitments to lower preferential rates to zero and, more importantly, enhance the utilization of Generalised System of Preference Schemes by rationalising rules of origin. Despite our constraints as a developing country, I am happy to reiterate that by the end of the year, LDC imports into India will face a zero tariff regime. I may add that we also provide assistance to numerous other developing countries, particularly in Africa, through our technical assistance programme.

Before concluding, Mr. Chairman, let me reiterate our support to UNCTAD. We believe UNCTAD has a critical role to play in providing support to developing countries, and there is a pressing need to enhance its resources. We also thank the Government of Ghana for offering to host UNCTAD XII, and look forward to its deliberations on trade policies, with particularly focus on globalization and development.

Thank you.



637. Statement by Member of Parliament and Member of the Indian Delegation to the UN Aruna Kumar Vundavalli on Agenda Item 87: Report of the International Atomic Energy Agency at the 62nd session of the UNGA.

New York, October 29, 2007.

Mr. President,

The delegation of India thanks the Director General, IAEA, for presenting the annual report of the agency to the General Assembly. On the occasion of its 50th anniversary, it is gratifying to recognize the unique place that the IAEA has within the UN system. The prestige, credibility and authority of IAEA in this century rests to a very large measure on the consistent good work done by its Secretariat under the wise leadership of Dr. El Baradei. Over the last half century the growth of the Agency's and India's nuclear programmes have evolved side by side. IAEA's achievements in the past half century have done much to contribute to the emergence of a nuclear dawn in coming years.

The world today is on the threshold of a paradigm shift. On the one hand demand for energy continues to rise and it is clear that 70% of the growth will come from the developing countries. It is imperative that this need is met if the benefits of development are to be accessed more equitably by the vast majority of under privileged mankind in the developing countries. On the other hand there is the challenge of addressing the serious consequences for future generations of unmindful and unsustainable use of fossil energy leading to global warming and climate change. Nuclear power can certainly play an important role in this context by helping to meet the ever growing demand for energy without the serious environmental consequences associated with the use of fossil fuels. India therefore notes and supports all the Agency's activities related to the promotion of nuclear power. We believe that the Agency has a crucial role to play in allaying misapprehensions in the public and Member States about the safe design, operation, maintenance and decommissioning of nuclear power plants as well as the waste disposal and environmental aspects taking into due account the current advances in relevant design and technology areas. We encourage the publication of TECDOCS, organization of training workshops and technical conferences, maintenance and dissemination of nuclear knowledge towards achieving this objective.

Mr. President,

India has been pursuing its robust three stage nuclear programme designed to maximize the energy potential from its domestic uranium and thorium resources, which will contribute around 25% share of electricity generation in the country by the year 2050. The objective is to realize the huge energy potential that can be obtained from these nuclear energy resources without having to add to the global carbon dioxide burden. The programme is moving ahead steadily with the first stage consisting of indigenously developed Pressurised Heavy Water Reactors (PHWRs) well into a commercially successful programme. The second stage has commenced with the construction of 500 MWe Prototype Fast Breeder Reactor (PFBR), which is now fairly advanced. The third stage is about to begin with the start of construction of a technology demonstrator, the 300 MWe Advanced Heavy Water Reactor (AHWR). The three stages are being implemented sequentially to reach the goal of large scale thorium utilization and are linked through their respective fuel cycles, which are also well underway. During the calendar year 2006, the generation of electricity from domestic nuclear power plants was 17,794 million units (MU's). While Unit-4 of RAPP operated continuously for a record 373 days, Unit-1 of the Kaiga Atomic Power Station recorded an uninterrupted operation for 356 days.

We are looking forward to the possibility of opening up of international civil nuclear cooperation. We expect such cooperation to be sustainable, free from interruptions and consistent with our national policy of closed fuel cycle. Such initiatives also open up the possibility of export of reactors and services. India today is the only country to have a live technology, design and infrastructure for small PHWRs with a unit capacity of 220 MWe, which have a great potential for export, particularly to countries with small grids wishing to enter nuclear power generation with relatively modest investments and infrastructure. Given the large manufacturing base and relatively low manufacturing costs, there is also a potential for India becoming a manufacturing hub for equipment and components for the global nuclear industry.

Mr. President,

India supports all activities of the Agency related to advanced technologies namely, Accelerator Driven Systems, High Temperature Reactors for non-power applications such as hydrogen production and nuclear desalination. We attach great importance to the INPRO programme, (International Project on Innovative Nuclear Reactors and Fuel Cycles), have been associated

with it since its inception, and have contributed significantly to its progress. We are happy to note the continued growth in its membership and stand committed to ensuring the successful implementation of its Phase-2 activities.

In the area of Material technology, we note with approval the Agency's activities aimed at improving the utilization of nuclear fuel for both LWR's (Light Water Reactors) and PHWR's through increased burnup and the associated degradation and failure issues. In this context, India hosted an International Conference on: "Processing, Performance and Phenomena" and a satellite conference on: "Materials Behaviour far from Equilibrium" in cooperation with IAEA in December, 2006, in Mumbai.

Mr. President,

India commends the Agency for the activities related to capacity building and Nuclear Knowledge Maintenance for sustainable energy development aimed at providing training to several Member States in using the analytical tools and databases as detailed in the report.

We take note of and appreciate the Agency's work programme and achievements under nuclear applications in food and agriculture, human health and nutrition, Programme of Action for Cancer Therapy (PACT), water resources management, protection of the environment, and Industry. India has donated a state of the art teletherapy machine Bhabhatron II to PACT with Vietnam being the intended beneficiary. We note and support the Agency's activities envisaged under Nuclear Science.

In the area of nuclear security and physical protection, India has organized a number of workshops and training courses under the aegis of IAEA for the Asia Pacific Region. So far we have conducted four regional training courses on Physical Protection on Nuclear Installations and also regional training courses on Physical Protection of Radioactive sources. In addition, we have conducted regional training courses on advanced equipment and response of criminal unauthorized acts involving nuclear or other radioactive material and on regulatory authority information system training course. India is among the first countries to deposit its instrument of ratification to the amendments to the Convention of Physical Protection of Nuclear Material. We note with approval the round the clock operations of the Agency's Incident and Emergency Centre, the Emergency Preparedness review conducted by the Agency, and the establishment of a Centre for Advanced Safety Assessments Tools.

In the context of Safety of Nuclear Installations, we note with satisfaction the activities undertaken by the Agency for promoting safety culture in Member States. In India, the World Association of Nuclear Operators (WANO) completed peer reviews of the Atomic Power Stations at Kakrapar, Narora, Kaiga, Rawatbhata and Tarapur. We offered our TAPP-3 unit for pre-startup Peer Review by an expert team of WANO. Similar reviews for RAPP-5 and Kaiga-4 are also planned for the next year.

India attaches high priority to Nuclear Verification and notes with approval all the activities undertaken by the Agency in a transparent and impartial manner. Our delegation has actively participated in the Special Committee on Safeguards and Verification within the framework of the IAEA statute to consider ways and means to strengthen the Safeguards system.

Mr. President,

A global nuclear energy renaissance increasingly appears not just inevitable but a necessity. However, it will rest on fragile foundations unless robust inclusive partnerships are built on the basis of trust and mutual understanding, which will function on a reliable and predictable basis. The adoption of closed fuel cycle options to maximize energy availability needs to be an integral part of this. We have justifiable concerns about the risks related to safety of the environment and proliferation rising out of irresponsible behaviour of state and non-state actors. However, we need to be even more concerned about the vastly enhanced security risks to which future generations would be exposed as a result of the storage of spent fuel for tens of thousands of years. There are, thus, risks and challenges but they are within the professional competence of existing technology and institutional control. Answers can easily be found if every responsible partner is seen not as a problem but as a part of the solution.

Thank you, Mr. President



638. Statement by Member of Parliament and Member of the Indian Delegation to the UN on the Agenda Item 30: Effects of Atomic Radiation in the Fourth Committee [Special Political and Decolonization] of the 62nd session of the UNGA.

New York, October 29, 2007.

Mr. Chairman,

India welcomes the election of the distinguished representatives of Canada, Germany and Egypt as Chairman, Vice Chairman and Rapporteur of UNSCEAR for its 56th and 57th session. India reiterates its recognition of the important scientific work of UNSCEAR (United Nations Scientific Committee on Effects of Atomic Radiation) which has immense implications for the health of thousands of occupational workers and people undergoing radiation treatment, the general public as well as the persons who are living in high natural radiation areas and last but not least, our environment.

India is appreciative of UNSCEAR's work as reflected in the completion of the review of the 5 scientific annexes i.e. 'Epidemiological studies of radiation and cancer', 'Epidemiological evaluation of cardiovascular disease and other non-cancer diseases following radiation exposure', 'Non-targeted and delayed effects of exposure to ionizing radiation', 'Effects of ionizing radiation on the immune system' and 'Sources to effects assessment of radon in work places and homes'.

We note that UNSCEAR is also in the process of completing its review of additional issues such as 'Radiation exposure of public and workers', 'Accidental radiation exposure', 'Exposure arising from medical uses of radiation', 'Effects of radiation on non-human biota' and 'Health effects due to the Chernobyl accident' etc. UNSCEAR has to verify the authenticity of scientific data, critically apply statistical analyses and develop models for that purpose. Often, there are no proper systems for collection of such data in many countries. In this connection, it may be pointed out that though the use of radiation for medical purposes such as X-ray examinations, computerized tomography and nuclear medicine is on the rise in many countries, proper documentation of patient or attendees' exposure and monitoring of these facilities is not being done. It must be borne in mind that today medical radiation exposure contributes next only to the natural radiation exposure.

The biological and health effects of natural radiation exposure require continuous monitoring and international agencies should step in to ensure critical assessment of these effects. In view of the uncertainties regarding the biological effects of low dose and low dose rate radiation exposure, natural laboratories like the one existing in Kerala's south western coast should be the focus of detailed scientific enquiry. There is as yet no evidence of any significant deleterious effect of this enhanced natural exposure. Unfortunately, only deleterious effects attract public attention. Therefore, such data, though very important to radiation risk evaluation for nuclear power plants, is ignored.

The dogmatic adherence to the Linear No Threshold (LNT) hypothesis as a corner stone for radiation protection, has put an unnecessary economic burden on the increasing number of countries that are seeking to develop nuclear electricity generation as a cleaner and cheaper (in the long run) option. It is high time that these regimes are revisited.

Central to this reevaluation of the LNT is the "attributability" of radiation effects. Biological and health effects are very complex. More than one type of agent and signaling processes may trigger the same effect eg. cancer. The non-radiation causes such as smoking, diet etc may synergize or add to a marginal radiation effect. Therefore, the analysis of confounding factors is very critical and how much of an effect can be attributed to radiation exposure is a matter of serious discussion. India understands that a debate and discussion has started in the UNSCEAR on this aspect. India would also desire that the cancer centric consideration of deleterious health effects of radiation exposure should not overshadow the other possible effects such as congenital malformations, in utero effects and cardiovascular effects etc. in deciding the exposure limits.

In order to engage highly qualified and eminent scientists in different areas of radiation effect assessment as consultants to prepare the draft documents, UNSCEAR needs adequate budgetary support. The organization of the annual scientific sessions of UNSCEAR which are essential to fulfil its mandate also require adequate funding. It is, therefore, essential that funding of UNSCEAR through UN be enhanced.

Thank you, Mr. Chairman.



639. Statement by Member of Parliament and Member of the Indian Delegation to the UN Saleem I. Shervani on Agenda Item 48: Integrated and Coordinated Implementation of and follow up to the outcomes of the major United Nations Conference and Summits in the Economic, Social and Related Fields at the 62nd session of the UNGA.

New York, October 30, 2007.

Mr. President,

We welcome the opportunity to express our views on the agenda item “Integrated and Coordinated Implementation of and follow-up to the Outcomes of the major United Nations conferences and summits in the economic, social and related fields”, particularly on the crucial role of the Economic and Social Council in this regard. We thank the Secretary-General for his report on this issue.

Mr. President,

We agree with the Secretary-General that over the last 15 years, the major United Nations conferences and summits have together resulted in the emergence of a comprehensive shared vision of development. Further, as the report notes, the 2005 World Summit embraced a broader concept of internationally agreed development goals, not just limited to the Millennium Development Goals, which can be reached through the implementation of the broader set of commitments undertaken at the major United Nations conferences and summits. We also welcome the recognition in the report of the critical role played by the Economic and Social Council in fostering a comprehensive development agenda of the United Nations through an integrated and coordinated implementation of the commitments.

In this regard, we welcome the strengthening of the Economic and Social Council last year and the incorporation of new elements in its functioning. Of these, the Annual Ministerial Review has already been instituted. We believe that this annual event must have a special focus on evaluating the implementation of the “global partnership for development” and cannot remain limited to assessing national efforts made at achieving the Millennium Development Goals. The Development Cooperation Forum has an important role to play in overseeing trends in international development cooperation.

The objective must be to ensure that such cooperation is aimed at assisting developing countries in implementing their national development strategies, rather than imposing additional aid conditionalities.

We are happy that the Economic and Social Council has finalized a two-year programme of work for 2008 and 2009 in respect of the Annual Ministerial Review. We believe that this would provide the necessary lead time to the various entities of the United Nations system to focus their efforts on the important themes chosen by the Economic and Social Council. However, it is also important for the Council to analyse and discuss topical and emerging issues, and not be constrained by the previously agreed programme of work. In this regard, we emphasize the importance of the thematic debate in the high-level segment of the Council's substantive session, and urge the early finalization of the theme for the 2008 session.

We believe that the key element of Economic and Social Council's activities regarding the development agenda relates to its acknowledged role as a principal body for coordination, policy review, policy dialogue and recommendations on issues of economic and social development. In this regard, we underline the importance of the new mandate given to the Council last year for undertaking a regular and periodic review and assessment of international economic and development policies and their impact on development.

Mr. President,

International economic, financial and trade policies play a crucial role vis-à-vis the development efforts of developing countries. Unfortunately, current institutional structures do not effectively take on board the concerns and perspectives of developing countries in the formulation and implementation of policies, even though developing countries are most affected by such policies. The large precautionary accretion of reserves by developing countries as a result of conditionality-based lending by the Bretton Woods Institutions; continuing burden of conditionalities, even after modification of Structural Adjustment by the Bretton Woods Institutions; current fragilities, if not crisis, of the financial system; a history of inappropriate advice from the Bretton Woods Institutions such as during the Asian financial crisis; the declining relevance and effectiveness of these institutions in financing for development; the continuing problems relating to external debt and debt sustainability; the negative trends in flow of Official Development Assistance, which continues to remain crucial in assisting development efforts, are some of the telling indicators of the need for an urgent and fundamental reform of

the international financial and economic architecture. Such reform must enhance the voice and participation of developing countries in the decision-making and norm-setting process. Given its unique role and legitimacy, the United Nations, through the Economic and Social Council, must oversee this process.

The strengthened mandate of the Economic and Social Council, and the need for the United Nations to play a central role in reviewing the international economic, financial and trade policies, including a periodic review of the policies of the Bretton Woods Institutions, from the development perspective, will remain on paper unless it is backed up by adequate technical resources and expertise. We call for the United Nations system, particularly the secretariat of the Economic and Social Council, to be strengthened and provided with adequate resources and expertise so as to assist in the effective discharge of these activities. We need to also consider innovating mechanisms like an international debt commission, and a committee of experts overseen by the United Nations (to assist in accelerating the development mandate of the Agreement on Trade Related Aspects of Intellectual Property Rights). The latter is particularly critical in relation to its impact on issues that affect mankind including public health, benefit sharing of use of genetic resources and affordable environment-friendly technologies (crucial for addressing climate change).

In conclusion, Mr. President, we would like to reiterate the importance of keeping the development agenda at the heart of the efforts of the United Nations, and of an integrated and coordinated implementation of commitments made in the major United Nations conferences and summits through the Economic and Social Council.

Thank you.



640. Statement by Member of Parliament and Member of the Indian Delegation to the UN A. Krishnaswamy on Agenda Item 82: Report of the International Law Commission: Chapter VI: Expulsion of Aliens; Chapter VII: Effects of Armed Conflicts on Treaties; Chapter VIII: Responsibility of International Organizations; Chapter X: Other Decisions and Recommendations at the Sixth Committee of the 62nd session of the UNGA.

New York, October 30, 2007.

Thank You, Mr. Chairman,

I thank the Chairman of the International Law Commission, Mr. Ian Brownlie, for his comprehensive introduction of the Report of the 59th Session of the International Law Commission on the first cluster of topics.

In connection with the topic "Expulsion of aliens", we commend the Special Rapporteur, Mr. Maurice Kamto, for his second and third reports dealing, respectively, with the scope of the topic and definitions, and with five draft articles on certain general provisions limiting the right of a State to expel an alien. The topic is particularly important and urgent in view of the global upsurge in the phenomenon of migration, including irregular migration.

We support the general approach taken by the Special Rapporteur. It is essential that the right of a State to expel aliens is exercised in accordance with the relevant rules of international law, including those relating to the protection of human rights and to the minimum standards for the treatment of aliens.

Mr. Chairman,

The Commission has sought information on domestic legislation of States on some aspects of this topic. Indian law does not provide for deprivation of nationality or for expulsion of nationals. A person who voluntarily acquires another nationality is deemed to have surrendered his Indian nationality. However, Indian law now recognises dual citizenship through a registration process and grants dual citizens the right of free entry and residence.

Mr. Chairman,

On the topic "Effects of armed conflicts on treaties", we commend the Special

Rapporteur for his third report. We also commend the working group which examined several issues that had been identified in the Commission's consideration of the third report presented by the Special Rapporteur.

On the scope of the topic, we reiterate our view that it should be limited to treaties concluded between States and not include treaties concluded by international organizations; the definition of "armed conflict" should be considered independently of its effects on treaties; and that the scope of an "armed conflict" should be limited to conflicts between States and not deal with internal conflicts, as treaties are entered into by States, and internal conflicts do not directly affect treaty relations. The frequency or intensity of internal conflicts by themselves would not justify their inclusion in the present text and could be dealt with by the Vienna Convention on the Law of the Treaties. The Tadic Case, referred to the possibility of an armed conflict on the territory of one State assuming or having the character of an international conflict. However this would not justify extending the scope of the topic to all internal armed conflicts especially those that do not have the required character of an international conflict.

All relevant circumstances, including the object and purpose of the treaty, the nature and intensity of the conflict or the situation that arises there from and the nature of the treaty obligation itself, and subsequent actions of the parties in relation to the treaty, should be taken into account for determining whether the treaty or some of its provisions could continue in force, in the context of armed conflicts. The principle of non-automatic termination or suspension contained in Draft Article 3 was useful in that it encouraged the stability and continuity of treaty relations,

Mr. Chairman,

Draft Article 7 provides a listing of treaties which, on the basis of necessary implication from their object and purpose, are considered as continuing in operation during an armed conflict. It is necessary to identify some general criteria for determining the type of treaties that would continue to apply during an armed conflict. In particular, treaties that expressly apply in case of or during an armed conflict, and therefore, can in no circumstances be terminated by an armed conflict, should be identified and considered separately from other treaties.

Mr. Chairman,

I now turn to the topic "Responsibility of International Organizations". We

would also like to convey our appreciation to the Special Rapporteur Professor Gaja on his fifth Report on the topic dealing with the content of the international responsibility of an international organization.

The fifth report contained 14 draft articles, dealing with general principles of the content of international responsibility of an international organization; reparation for injury and the issue of serious breaches of obligations under peremptory norms of general international law. The fifth report followed, like the previous reports, the general pattern of the articles on Responsibility of States for internationally wrongful acts.

Draft articles 31 to 34 and 36 dealing with general principles of the content of international responsibility of an international organization, follow closely the wording of the corresponding provisions on Responsibility of States for internationally wrongful acts. Draft article 35 correctly emphasizes the special relationship between an international organization and its members whereby, unlike a State which could not rely on the provisions of its internal law as justification for failure to comply with the obligations entailed by its responsibility, an international organization might be entitled to rely on its internal rules as a justification for not giving reparation towards its members.

We further commend the Special Rapporteur for the substantial progress on the topic made at this session which resulted in the adoption of Articles 31 – 45 after consideration by the Drafting Committee, as well as commentaries to these Articles.

Mr. Chairman,

The Commission has sought our comments on Draft article 43, relating to an obligation of members of a responsible international organization to take, in accordance with the rules of the organization, all appropriate measures in order to provide the organization with the means for effectively fulfilling its obligation to make reparation. In our view, this article deals essentially with obligations of States and its inclusion in draft articles on responsibility of international organizations is not appropriate.

Mr. Chairman,

On Chapter X of the Report, we welcome the Commission's decision to include on its programme of work, two new topics, "Protection of persons in the event of disasters" and "Immunity of State officials from foreign criminal jurisdiction" and the appointment of Special Rapporteurs for these topics.

We also welcome the Commission's decision to undertake an examination of the possibility of including the topic "Most-favoured-Nation clause" in its longterm programme of work. The conclusion in recent years of a large number of bilateral agreements on investment protection and on preferential trading and free trade arrangements, all of which include the obligation to provide mostfavoured- nation treatment, have resulted in a substantial body of state practice in this field and the Commission could play a useful role in providing clarification on the meaning and effect of the most-favoured-nation clause especially in the field of investment agreements.

Thank you, Mr. Chairman.

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641. Statement by Member of Parliament and Member of the Indian Delegation to the UN Mohammad Salim on Agenda Item 21: Necessity of ending Economic, Commercial and Financial Embargo imposed by the United States of America against Cuba at the 62nd session of the UNGA.

New York, October 30, 2007.

Mr. President,

We align ourselves with the statement made by the Chair of the Group of 77. The nearly five-decade old economic, commercial and financial embargo imposed by the United States of America has been the subject of debate by this august body annually since 1991. The embargo has been reinforced by domestic laws of the United States of America, through which the extra-territorial reach of the embargo encompasses foreign companies as well as foreign subsidiaries of US companies doing business with Cuba or Cuban entities. Such domestic laws include the Cuba Democracy Act of 1992 and the Helms-Burton Act of 1996.

Mr. President,

The international community has been categorical in repeatedly expressing its opposition to the extra-territorial aspect of the embargo that has been implemented in accordance with US domestic laws and regulations. We fully share this call by the international community. This Assembly has repeatedly rejected the imposition of laws and regulations with extra-

territorial impact and all other forms of coercive economic measures. Through its resolutions, it has called upon all States to respect their obligations under the United Nations Charter and international law, as well as repeal and invalidate laws and measures that have "extraterritorial effects" affecting the sovereignty of other States, the legitimate interests of entities or persons under their jurisdiction and the freedom of trade and navigation.

The continuation of the embargo on Cuba, particularly through its extraterritorial effects, has hampered the country's ability to pursue its development imperatives. It has also caused hardship on its population in a variety of ways. The impact of the embargo has been particularly severe in the area of medical care through reduction in access to medical equipment, medicines, and diagnostic aids. Other affected areas include food aid deliveries, educational sector, international trade and investment, transportation and access to financial markets. In addition, an indirect negative extra-territorial impact of the embargo has been on Cuba's efforts to provide assistance under South-South cooperation in the field of medicine, particularly to African countries. The United Nations Conference on Trade and Development concludes in the report of the Secretary-General that the embargo by the United States of America has led to an adverse impact on gross domestic product growth, export revenues, industrial and agricultural production, trade and social sectors such as food, health, education, communications and science and technology, as well as trade diversion.

These embargoes and economic blockades are against the spirit of unhindered trade and commerce without barriers. The embargo has achieved nothing except creating hindrances in the path of development for the people of Cuba. The continuation of the policy of sanction and blockade against the opinion of the overwhelming population of the world is nothing but a desire to continue an age old unjust arrangement. This is all the more untenable in an era of 'globalisation' when its advocates are loudly proclaiming and working for barrier free trade and commerce and seamless movements of goods and services around the world.

Mr. President,

Given their geographical proximity, the United States of America and Cuba should be natural partners in trade, commerce and investment. We believe that a considerable part of the business sector in the United States of the America would like to benefit from unhindered access to the Cuban market

and that many US citizens would like to establish greater contacts with Cuba through tourism. The exports of agricultural and medical products from the United States of America to Cuba, insofar as permitted by the Trade Sanctions Reform and Export Enhancement Act of 2000, is testimony to the interest and potential of trade and business contacts between the two countries. Various legislative attempts in the United States of America to relax the embargo also support this view. We, therefore, look forward to the lifting of sanctions and embargoes against Cuba.

In conclusion, Mr. President, let me reiterate India's opposition to unilateral measures by countries, which impinge on the sovereignty of another country, including attempts to extend the application of a country's laws extraterritorially to other sovereign nations. The international community must work towards creating a just international economic environment conducive to development for all countries, free from sanctions and embargoes.

Thank you.



642. Statement by Member of Parliament and Member of the Indian Delegation to the UN Aruna Kumar Vundavalli on Agenda Item 70: Human Rights Questions; [b]: Human Rights Questions, including alternative approaches for improving the effective enjoyment of Human Rights and Fundamental Freedoms; [c] Human Rights Questions: Human Rights Situations and Reports of Special Rapporteurs and Representatives; and [e] Convention of the Rights of Persons with Disabilities at the Third Committee of the 62nd session of the UNGA.

New York, October 31, 2007.

Mr. Chairman,

I would like to thank the UN Secretary-General (UNSG) for his reports, and the Special Rapporteurs and Representatives of the UNSG for their presentations under the sub-agenda items 70 (b), (c) and (e) relating to 'Human rights questions'. I would also like to thank the UN High

Commissioner for Human Rights for her statement last week before the Third Committee under this agenda item.

Mr. Chairman,

Mr. Jean Ziegler, Special Rapporteur on the Right to Food, states in his report that the number of victims of hunger and malnutrition around the world increased every year since 1996, and reached an alarming figure of 854 million people. His recommendation that all States should ensure that their international policies, including international trade agreements, do not negatively impact on the right to food in other countries, is timely and pertinent. He also cautioned that conversion of food into bio-fuels could seriously impact on the right to food.

Mr. Arjun Sengupta, Chairperson-Rapporteur of the Working Group on the Right to Development, outlined a three-phased roadmap for developing and refining criteria for periodic evaluation of the global partnership for development as contained in Millennium Development Goal (MDG) 8. There is a gradual acceptance that discussions on Right to Development are no longer in the realm of theory and principles, but have moved into design and implementation of policies leading to its realisation. We support the efforts of the Working Group to operationalize the Right to Development that would contribute to mainstreaming it in the policies and operational activities of relevant actors at the national, regional and international level, including multilateral financial, trade and development institutions.

We also recognize the important work of Mr. Paul Hunt, Special Rapporteur on the right of everyone to the enjoyment of the highest attainable standard of physical and mental health, particularly in developing a right-to-health impact assessment methodology that would aid equitable, inclusive, robust and sustainable policy-making. We are happy that Mr. Paul Hunt has accepted our invitation to visit India in November this year.

Mr. Chairman,

We are once again faced in this Committee by a major challenge in determining most effective approach for promotion and protection of human rights. We need a self-critical appraisal of whether the international community has managed to achieve a genuine improvement in human rights through giving of 'report cards' against countries or even by undertaking intrusive monitoring. No doubt, instances of gross and systematic violations of human rights anywhere in the world must be

addressed by the international community collectively and in a holistic manner. However, dealing with human rights situations with a specific bias against certain group of countries and as a matter of routine would not promote the cause of protection of human rights. An approach based on dialogue, consultation and cooperation have a better chance of leading to genuine improvement in the enjoyment of human rights by the people of a country. The need for moving away from selectivity and partial approaches is now greater than ever before.

Mr. Chairman,

A distinction must always be made between a country that is responsive and has functioning democratic institutions, and one that is inherently repressive and is unable, or unwilling, to improve human rights standards. Foundations for a genuinely holistic conception of human rights can be laid only with democracy, development and respect for human rights and fundamental freedoms. Our collective efforts should focus on improving the capacity of States so that they can embrace rule of law and democracy as essential ingredients for promoting and protecting human rights.

A democratic, pluralistic society with a secular polity, an autonomous and impartial judiciary, a vibrant civil society, a free media, and independent human rights institutions, helps secure effective guarantees for the protection and promotion of human rights in a country like India. The Indian Parliament has been acting as a vehicle to make economic and social rights justiciable to people, particularly those living in rural areas. Notably, the National Rural Employment Guarantee program launched in 2006 provides 100 days of assured employment annually to every rural household. The Supreme Court of India has recognized the justiciability of the right to food. To widen public knowledge of the decision-making process and to promote transparency and accountability in the working of any public authority, the Indian Parliament has enacted the Right to Information Act.

Mr. Chairman,

The adoption of the UN Convention on the Rights of Persons with Disabilities in December last year marked an important milestone in recognizing disabled persons as rights holders and active members of society, rather than objects of charity. I am happy to inform that India became the seventh country to ratify the UN Convention on the Rights of Persons with Disabilities. India has been committed to the elimination of special barriers that persons with disabilities face. The Persons with Disability (Equal Opportunities,

Protection of Rights and Full Participation) Act of 1995 and National Policy for Disabled People of 2006 paved the way for recognition of the rights of persons with disabilities. We recognize that much needs to be done to enable effectively enjoyment of the rights enshrined in the Convention by the disabled people in India.

Mr. Chairman,

In conclusion, as the world's largest democracy, we consider it an honour to uphold and cherish the human rights and fundamental freedoms of every citizen. I would like to reiterate India's firm commitment to the promotion and protection of human rights. We look forward to engage constructively with other delegations in working for the noble cause of promotion and protection of human rights worldwide.

I thank you, Mr. Chairman.



643. Statement by Member of Parliament and Member of the Indian Delegation to the UN Shripad Yasso Naik on Agenda Item 45 [a] and [b]: Sports for Peace and Development at the 62nd session of the UNGA.

New York, October 31, 2007.

Mr. President,

We thank the Secretary-General for his report on 'Sport for development and peace: progress and prospects'. We note the well-organized structure and good presentation of information in the report. The report provides an overview of activities undertaken on various fronts by Member States, the UN system, and other stakeholders. It also makes recommendations for next steps based on lessons learnt.

Mr. President,

India supports the efforts of the Secretary-General to highlight the useful role that sports can play in consolidating peace and furthering development. Sport is an easy and relatively inexpensive way of engaging the energies of the youth in a positive and constructive manner. It teaches the spirit of sportsmanship that generates tolerance of spirit and action and respect for

the opponent. It also inculcates discipline through observance of the rules of the game. It develops camaraderie and good-fellowship that enhances the ability of communities to coexist peacefully.

The contribution of sports in furthering development is also recognized. A healthy mind lives in a healthy body. Sports provide physical activity, enhances oxygen intake and improves stamina. It brings people together for a common purpose. Its enjoyable format provides a good vehicle for propagating difficult social messages. Sports improve productivity and foster social harmony and discipline. Indeed, sports can play a subtle, positive and constructive role in development and peace.

Mr. President,

India believes that activities related to sports and physical education are a necessary component of human resource development. India has a long tradition of sport and physical education. Ancient Indian scriptures and literature describe the important place of such sports as archery, weight-lifting and wrestling in princely education. A mastery over such sports was considered as important as the knowledge of scriptures. Education in modern India is trying to continue and build upon this heritage and respect for sports and physical education.

In view of the key role of sports and games in national life, the Government of India has taken a number of initiatives to improve the standard of sports in the country. There is wide recognition of the need for broad-basing sports and for provision of modern sports infrastructure. The Government has made efforts towards upgrading the skills of the coaching fraternity, creation of sports infrastructure and building an adequate sports-science backup. Efforts are also being made to encourage the National Sports Federations to make their functioning more effective and focussed. The involvement of the society at large, particularly business and industry, are adding to the efforts of the Government. To encourage sports and sportspersons, a number of prestigious awards are bestowed on sportspersons to recognize their achievements. Several schemes have been put in place to propagate sports and to provide incentives for sporting activities. These include schemes such as the Sports Fund for Pensions for Meritorious Sportspersons, as well as Promotion of Sports and Games in Schools. While the welfare of young sportspersons is covered by the Sports Scholarship Scheme, a National Welfare Fund has been established to assist retired sportspersons. A National Sports Development Fund has been set up to mobilize resources. The Ministry of Youth Affairs and Sports in the Government of India has the national level responsibility for sports.

The Government has also established the Sports Authority of India to pursue the twin objectives of broad-basing of sports and nurturing talent in children through the provision of necessary infrastructure, equipment, coaching and other facilities. These include a Sports Medicine Centre and Dope Control Centre.

Mr. President,

We agree with the Secretary-General on the need to enhance the use of sports to help reverse disease and obesity, especially among young people. The report speaks of the role of sports in reversing the spread of HIV/AIDS. While sports may have only a limited role in this regard, the promotion of sports can play a more critical role in reversing the growing trend of juvenile diabetes in urban areas. Regular practice of a sport can also help lower anxiety and high blood-pressure caused by the pressures of modern living amongst the younger generation of today.

We note from the Report of the Secretary-General that despite uneven progress, there is evidence indicating a better integration of sports across all geographical regions. However, the report highlights that the lack of adequate resources, facilities and trained personnel continues to be a key constraint in many countries. Developing countries have to deal with enormous challenges with limited resources. These challenges are even more daunting for the LDCs. The complexion of sports has undergone a transformation in the modern world. The pursuit of sports today requires the availability of modern and highly sophisticated equipment, infrastructure and training. The ready availability of and easy access to such facilities in the developed world leads the international sporting arena towards the developed world. There is, thus, a solemn need for international cooperation and assistance for encouraging the development of sports infrastructure in developing countries.

In this context, we agree with the recommendation of the Secretary-General on the need to make sport and physical education more accessible to larger segments of the world's population, especially those who lack the opportunity and facilities. We also agree with the need to promote investment for expanding sports infrastructure and facilities, including through enhanced resources, sports science and sports medicine programmes, particularly in the developing world. We support the Secretary-General's call for greater efforts for promotion of sports and physical education. This could include advocacy through participation in sports and nonsport events. We are convinced, however, that sporting activities are also the best advocacy tool

for the promotion of sports. We hope that the UN system would focus its efforts on promotion of sports through sports, rather than through conferences and meetings.

Mr. President,

Sport is an inalienable part of the educational process and a factor for promoting peace, friendship, cooperation and understanding among peoples. We agree with the Secretary-General that sport and physical education are not luxuries in society and much less so in the developing world. We must, therefore, invigorate our efforts for the promotion of sports for development and peace.

Thank you, Mr. President.



644. Statement by Member of Parliament and Member of the Indian Delegation to the UN T. C. Gehlot on Agenda Item 55: Implementation of the outcome of the United Nations Conferences on Human Settlements [Habitat ii] and strengthening of the UN Human Settlement Program (UN-Habitat] at the Second Committee of the 62 session of the UNGA.

New York, October 31, 2007.

Madam Chairperson,

We thank the Secretary-General for his report on this agenda item. We associate ourselves with the statement made by the Chair of the Group of 77.

Madam Chairperson,

We welcome the adoption of the Medium-term Plan of UN-Habitat for 2008- 2013. We look forward to early implementation of the resource mobilization plans. India has always highlighted the importance of housing finance to the poor. We hope that UN-Habitat will now be able to provide longer-term finance to domestic financial institutions.

We also express satisfaction at the adoption by the Governing Council of guidelines on strengthening of local authorities. India has always involved them in decision-making and implementation. Our efforts have involved empowering local authorities, with greater representation to all sections of society.

Madam Chairperson,

In the year 2007, global urban population has overtaken the global rural population for the first time in history. A majority of the world population now lives in cities and towns. This trend is expected to continue. It is estimated that by 2025, more than two thirds of the global population will be in cities. Our ability to address urban poverty, urban pollution, urban planning and urban governance will influence our overall well-being in the 21st century.

Madam Chairperson,

India has recently launched an integrated programme to promote sustainable development of cities. Titled "Jawaharlal Nehru National Urban Renewal Mission", its implementation includes development of seven basic services to the poor, namely, land tenure, affordable shelter, water, sanitation, education, health and social security.

There are also a number of programmes that promote affordable housing in rural areas. For example, the "Indira Awaas Yojna" aims at reaching out to the rural poor with grant-in-aid for construction of dwelling units and upgradation of temporary houses. We also recognise that the problem of shelter is intricately linked to the eradication of poverty. Policies and programmes of the Government of India give a special focus on improving employment and livelihood in rural areas. The National Rural Employment Guarantee Scheme, the Swarnajayanti Gram Swarozgar Yojna (Golden Jubilee Village Self-Employment Plan) and other programmes aim to generate rural employment opportunities.

Madam Chairperson,

Within the framework of South-South cooperation, India has been sharing appropriate technology, particularly in the field of cost-effective, environment friendly and disaster resistant construction. Further, India was happy to host the first Asia-Pacific Ministerial Conference on Housing and Urban Development last December.

Allow me to conclude, Madam Chairperson, by expressing our support to UNHabitat.

Thank You.



645. Statement of Member of Parliament and Member of the Indian Delegation to the UN A. Krishnaswamy on Agenda Item 73: Report of the International Court of Justice at the 62nd session of the UNGA.

New York, November 1, 2007.

Thank You, Mr. President,

We welcome the opportunity to address the General Assembly on the Report of the International Court of Justice and thank the President of the Court, Judge Rosalyn Higgins, for her introduction of the Report contained in document *A/62/4*.

We commend Judge Higgins for her dedicated stewardship of the Court and for the Court's impressive achievements over the period under review. This will no doubt further enhance the international community's confidence in this unique organ of international law that has made a distinctive contribution to the maintenance of international peace and security.

Mr. President,

India continues to believe that no other judicial organ in the world can have the same capacity for dealing with international legal problems as the ICJ, which is the principal judicial organ of the United Nations entrusted with settling legal disputes between sovereign states and promotion of the rule of law in international relations.

Over the years, the ICJ has been engaged in finding just and equitable solutions to legal disputes between States and there has been a noticeable increase in the number of cases being referred to it. Another significant development is that unlike in the past when the jurisdiction phases of cases occupied most of the Court's time, the Court is now being frequently called upon to deal directly with a diversity of complex substantive issues of international law from all regions of the world.

During the period under review the Court rendered three very important decisions involving cases from Latin America, Africa and Europe. The subject matter of these cases covered issues ranging from diplomatic protection of shareholders, environmental protection to genocide. This affirms once again the important role that ICJ and international law play in the search for solutions

to the problems of an interdependent world in which economic, social and humanitarian issues have assumed paramount importance.

Mr. President,

The recent period has witnessed the creation of a number of specialised regional and international courts. Along with it have come concerns about the fragmentation of international law. There is apprehension that similar legal issues or disputes may well be subjected to final and binding interpretations by two different bodies, projecting differing views. There is considerable apprehension that the expansion of the field in this regard could create problems of coherence between different specializations, institutions and norm-systems.

The challenge therefore is to find a balance, on the one hand, between the need for diversity and specialized regimes and solutions and, on the other hand, the importance of maintaining an overall framework or 'system' of international law that offers a sufficient degree of security and coherence. It has been pointed out that "the tool-box of international law – especially general international law and the Vienna Convention on the Law of Treaties – is not perfect but flexible enough to assist negotiators, lawyers and judges in finding this balance".

We welcome the initiative taken by the ICJ President for a regular dialogue between the international courts and Tribunals and exchanges of information with a view to improving the unity of international law and addressing the problem of "overlapping of jurisdictions" or "fragmentation of international law".

Mr. President, in order for the Court to respond effectively to the increasing demands on resources made on it and to carry out its mandate efficiently it is necessary that it must be provided with adequate resources. It is a matter of concern that the 15 judges have to share and rely on five legal professionals to carry out research on complicated questions of international law and to prepare studies and notes for the judges and the Registrar. We therefore, reiterate that the Court's request for individualized legal assistance for all its members is reasonable and may be implemented to enable it to efficiently carry out its designated functions as the principal judicial organ of the United Nations.

We also urge re-examination of Resolution 61/262 that has created a discriminatory salary regime among the 15 Judges of the International Court of Justice and hope that this unintended anomaly will be removed.

Thank You, Mr. President



646. Statement of Member of Parliament and Member of the Indian Delegation to the UN Aruna Kumar Vundavalli on Agenda Item 82: Report of the International Law Commission – Chapter IV: Reservations to Treaties; Chapter V: Shared Natural Resources; Chapter IX: the Obligation to Extradite or Prosecute at the Sixth Committee of the 62nd session of the UNGA.

New York, November 1, 2007.

Mr. Chairman,

I thank the Chairman of the International Law Commission, Mr. Ian Brownlie, for his comprehensive introduction of the Report of the 59th Session of the International Law Commission on the second cluster of topics.

Mr. Chairman,

On the topic “Reservations to treaties”, we congratulate the Special Rapporteur, Professor Alain Pellet, for the presentation of his 11th and 12th reports on the formulation and withdrawal of acceptances and objections and on the procedure for acceptances of reservations, respectively. At this session substantial progress was made on this topic. Thirty-five draft guidelines on the above issues were referred to the Drafting Committee. Nine draft guidelines, dealing with the determination of the object and purpose of the treaty as well as the question of incompatibility of a reservation with the object and purpose of the treaty, together with commentaries, were adopted by the Commission.

The Special Rapporteur has proposed to complete his presentation of problems posed by the invalidity of reservations next year. Therefore, the Commission has sought information from States on several questions relating to their practice on these issues. We will be submitting our written responses to those questions separately.

However, we share the Commission’s view that the “legal effects” of a reservation that is “invalid” in accordance with Article 19 of the Vienna Convention are not clear from Articles 19 – 23. In our view, the invalidity of a reservation cannot lead to the assumption that the treaty is fully binding on the State in question. Such an interpretation would affect the readiness of States to accept treaties.

Mr. Chairman,

Turning to the topic of "Shared natural resources", we appreciate the contribution of the Working Group on Shared Natural Resources under the Chairmanship of Mr. Enrique Candiotti. I would also like to thank the Special Rapporteur, Ambassador Yamada, on the presentation of his fourth report. The Commission has completed the first reading of a set of 19 draft articles and commentaries on the law of trans-boundary aquifers. These are now before Governments for their comments, and we would be submitting our comments on the same separately.

The Fourth Report of Ambassador Yamada has dealt with the crucial aspect of how the Commission should proceed in its further consideration of the topic, in particular the relationship between the work on groundwaters, on the one hand, and the work on oil and natural gas, on the other hand. The Report makes a good case for the separate treatment of the law on trans-boundary groundwaters. We support the recommendation that the Commission should proceed with and complete the second reading of the law of trans-boundary aquifers independently from its future work on oil and natural gas, since the considerations for dealing with trans-boundary oil and gas resources are different from those relating to trans-boundary aquifers. While some of the regulations of the law of the non-recharging trans-boundary aquifers might be relevant to the question of oil and natural gas, the majority of regulations to be worked out for oil and natural gas would not be directly applicable to groundwater.

Mr. Chairman,

Turning to the topic "the obligation to extradite or prosecute", I thank the Special Rapporteur, Mr. Galicki, for his second report on the subject, which has recapitulated the main ideas and concepts presented in his preliminary report, and also presented one draft article on the scope of application. We welcome the plan for further development of the topic proposed by the Special Rapporteur and his ideas on articles to be drafted in the future, including his proposal for a draft article that would provide that: "Each State is obliged to extradite or to prosecute an alleged offender if such an obligation is provided for by a treaty to which such State is a party."

The United Nations Conventions against terrorism, the international conventions against drug trafficking, transnational organized crime, trafficking in persons, and on corruption, all provide for the obligation to extradite or prosecute.

The main objective of the obligation to extradite or prosecute is to ensure that persons accused of serious crimes are denied “safe havens” and can be brought to trial to face the consequences of their criminal acts. This provision serves as an important tool in global efforts in combating serious offences, including those arising out of terrorism.

We look forward to receiving further reports from the Special Rapporteur formulating draft rules on the concept, structure and operation of the obligation to extradite or prosecute.

Thank you, Mr. Chairman.



647. Statement by Member of Parliament and Member of the Indian Delegation to the UN Mohammad Salim on Agenda Item 56: Globalization and Interdependence at the Second Committee of the 62nd session of the UNGA.

New York, November 1, 2007.

Mr. Chairman,

We thank the Secretary-General for the reports on the agenda item “Globalization and Interdependence” under consideration today. We associate ourselves with the statement made by the Chair of the Group of 77.

Mr. Chairman,

The increasing interdependence in the world as a result of the processes of globalization have meant that national policies and actions can no longer be formulated or implemented in isolation from international environment driven by market forces. Accordingly, last year we had requested the Secretary-General to submit a report on the impact of international commitments, policies and processes on the scope and implementation of national development strategies. The resultant report has very eloquently highlighted the difficulties developing countries face in pursuing national development strategies, particularly in the areas of capital flows, aid, trade and technology.

The report serves to reinforce the argument that while globalization, through

enhanced exchange of information, capital, goods and services, technology and people, has provided tremendous opportunities for progress and prosperity, it has also presented significant challenges and constraints for developing countries. As was emphasized in the Millennium Declaration, the benefits of globalization are unevenly shared, while its costs are unevenly distributed. We welcome the recognition in the report of the negative impact of capital flows on exchange rate stability, inflation rates and liquidity, and in the ability of developing countries to implement counter-cyclical measures. Moreover, traditional macroeconomic policy prescriptions of the Bretton Woods Institutions erode space for policy autonomy of developing countries and force them to adopt inappropriate policies that cannot give adequate attention to much needed public investment or social sector development.

For example, problems of liquidity in financial markets of developed countries are tackled with short-term measures to inject liquidity, as should be the case, while similar problems in developing countries are diagnosed as “structural problems”.

In the area of trade, agricultural policies of developing countries are severely affected by the massive subsidies by developed countries, while steady reduction in their industrial tariffs has greatly enhanced the risks of de-industrialization of developing countries. Further, despite international trade laws, developing countries face practical barriers in the form of unfavourable market access regimes and nontrade barriers. In the area of technology access, critical technologies in the area of public health and climate change remain inaccessible and unaffordable for developing countries due to the Intellectual Property Rights regime. Most importantly, developing countries do not have a say in shaping the international financial, economic, trade and technological regimes, which have the maximum impact on developing countries themselves.

Mr. Chairman,

The trade-off between the benefits of accepting international disciplines and rules, and the consequent loss of policy space, represent a difficult decision for developing countries. Apart from their marginal role in formulating international regimes, many developing countries lack the necessary capacities to evaluate all options, and analyse the impact of international rules. We reiterate the need for the international community to consider as a whole the issue of a balance between national policy space

and international disciplines and commitments while deciding collectively on future disciplines and commitments, as well as during implementation and interpretation of the existing ones. Greater flexibilities must be provided in current international regimes so that developing countries can have policy space to determine their own development strategies.

We believe that a fundamental reform of the international economic and financial architecture in a time bound manner is required in order to ensure fair globalization, in which the benefits of globalization are more equitably spread. This process must be overseen by the United Nations, which has a unique legitimacy and universality.

Mr. Chairman,

Science and technology are critical determinants of development. The scientific and technological base of any country usually has a direct co-relation to the level of development achieved. It is perhaps no exaggeration to say that it is the level of technology, both in terms of access and utilization, that differentiates developed and developing countries. Given the restrictions on access to critical technologies due to existing international regimes, developing countries need to pay special emphasis to accessing and acquiring knowledge resources in order to give a boost to their development paths. India recognizes the importance of science and technology in the development process, and is actively engaged in capacity building not only to become a knowledge producing society but a knowledge sharing and knowledge consuming society.

Developing countries also need to effectively utilise traditional knowledge and biogenetic resources. International technology regimes must integrate the development dimension fully. We also call for pragmatic ways to promote collaborative research and development efforts between developed and developing countries which assist capacity building in developing countries. We reiterate the importance of the World Summit on Information Society, and its follow-up process. In this regard, we also welcome the enhanced mandate of the Commission on Science and Technology for Development.

In conclusion, Mr. Chairman, allow me to emphasize the importance of a conducive international environment that will permit all countries to benefit from the process of globalization.

Thank You.



648. Statement by Member of Parliament and Member of the Indian Delegation to the UN Mohammad Salim on Agenda Item 34: Comprehensive Review of the whole question of Peacekeeping Operation in all their aspects at the Fourth Committee of the 62nd session of the UNGA.

New York, November 5, 2007.

Mr. Chairman,

We welcome the opportunity to participate in discussions under Agenda Item 34: Comprehensive Review of the Whole Question of Peacekeeping Operations in all their aspects. We associate ourselves with the statement made by the distinguished representative of Morocco, on behalf of the Non Aligned Movement.

India attaches considerable importance to this session of the Fourth Committee. We are confident that you will guide it to a positive outcome and assure you of our full cooperation in doing so. We thank Under-Secretary-General Guehenno and OIC Jane Lute for their comprehensive briefing and interactive session with us. We would like to compliment their teams for their dedication and hard work.

Mr Chairman,

We note from the Under-Secretary General's statement that there are 140,000 men and women in the field from 119 member states in 18 peacekeeping operations. These numbers are set to increase further with two new operations coming up in the near future. This unprecedented surge has given rise to enormous challenges in peacekeeping - not only because new missions are being established or old ones expanded, but also due to the volatile and insecure environments in which UN forces have to function, the growing complexity of the difficult tasks assigned to them, and the tools that they are provided with.

We had welcomed the efforts by the Secretary-General to respond to peacekeeping challenges by strengthening and rationalizing structures in the UN via building military planning, management, and operational capacities. The realignment of DPKO by creating two Departments - Department of Peacekeeping Operations (DPKO) and Department of Field Support (DFS) – has been undertaken. However, there is an urgent need to establish clear command structures, coherence in policy and strategy,

effective coordination and integration, as well as ensure preservation of unity of command from Headquarters to the field. We look forward to the mid-term review in 2008 and hope that appropriate corrections would be made from lessons learnt in order to make UN peacekeeping well integrated, effective and professional.

The safety and security of UN peacekeepers is of vital concern to troop-contributing countries who place their soldiers at risk in pursuance of the UN ideal. The 67 deaths of peacekeepers in 2007, including that of an Indian peacekeeper, Corporal Mohan Singh Gurung, while doing his duty with the UN Mission in Sudan, is a reminder of the importance of fully addressing safety and security concerns.

In this context, the UN must enhance its capacity for information gathering and assessment and sharing it with field units along with concrete recommendations for preventive action. Reliable operational and tactical intelligence is essential for the successful conduct of military operations and in order to pre-empt potential threats to the security and safety of personnel. The bureaucracy at Headquarters must actively and continuously engage field missions and positively respond to resolving their problems. We look forward to examining the United Nations Security Management System Draft Policy being prepared by DPKO and DSS.

Mr Chairman, we would encourage the Secretary-General to address the issue of consolidation of peacekeeping accounts while undertaking administrative reorganization and streamlining. This would provide an opportunity to tackle the issue of selective financing of peacekeeping missions that is sometimes resorted to. Member States should be entitled to cash surpluses from missions only if they do not have dues to other peacekeeping missions. This will also help address the concern of developing countries that contribute the overwhelming majority of peacekeeping troops, yet continue to be owed considerable sums of money.

India has supported energising the mechanism of triangular consultations between Troop Contributing Countries, the Security Council and the UN Secretariat. Private Meetings under the Resolution 1353 format continue to be held on the eve of renewal of Mission mandates, leaving little scope for serious or meaningful discussions. It is important that TCCs be involved early and fully in all aspects and stages of mission planning and that their views find their way into mission mandates.

Mr Chairman,

We appreciate the effort being made by the DPKO in developing a draft Doctrine which would serve as a practical guide for peacekeeping. In our view the document should focus on planning, deployment, operational and logistical issues. We associate ourselves with the views expressed by NAM and would emphasize that DPKO should take into account the views of member states before publication of the Doctrine. We look forward to continuing our constructive engagement in this process.

Mr. Chairman,

India supports the efforts to enhance peacekeeping capacity in African countries. We share close and historic ties with Africa and are one of the oldest, largest and most consistent contributor to UN Peacekeeping missions in Africa, having participated in almost every major operation since the inception of peacekeeping. We are currently involved in bilateral capacity building in many African countries. At the same time, the UN cannot absolve itself of "its responsibility under the Charter for the maintenance of international peace and security". The real challenge before the UN is to strengthen peacekeeping without regionalising it.

As regards conduct and discipline of troops, we are convinced that sexual exploitation and abuse are totally unacceptable forms of behaviour. We fully support the implementation of a policy of zero tolerance and encourage raising the awareness of those with managerial and command responsibilities and the establishing of standards of conduct, training and investigation. Careful preparatory training in terms of a multi-cultural, pluralistic and tolerant outlook is as important as subsequent swift punitive action, once culpability is established. We welcome the General Assembly approved resolution on draft MOU and look forward to its implementation by DPKO at the earliest.

We also note the creation of a Division of Policy, Evaluation and Training establishment of an Integrated Training Service (ITS) and would encourage it to utilise and benefit from the considerable field expertise of the Troop Contributing Countries.

As regards Security Sector Reform, we must have in place a coherent framework to clarify the various dimensions of the concept. This should take place in relevant UN inter-governmental bodies. We would also encourage DPKO to ensure that the Enhanced Rapidly Deployable

Capacities (ERDC) Policy is finalized in an inclusive process so as to ensure that the views of member states are adequately reflected.

The role of Civilian Police in peacekeeping has grown substantially. We have noted the establishment of Standing Police Capacity and look forward to engaging in constructive discussions with the new Police Adviser regarding the utilization of the Capacity and its future requirements. We would also like to emphasise the need for adequate transparency in ensuring representation of qualified candidates from Troop Contributing Countries in senior leadership positions in the Police Division.

Mr Chairman, India stands solidly committed to assist the UN in the maintenance of international peace and security. We have a proud history of UN peacekeeping dating back to its inception in the 1950s. We have contributed nearly 100,000 troops, and participated in more than 40 missions. India has also provided and continues to provide eminent Force Commanders for UN Missions. We salute the 115 Indian peacekeepers, as well as those from other countries, who have made the supreme sacrifice by laying down their lives while serving in UN Missions.

India has also traditionally been contributing lady military and police officers to a number of UN Missions. In response to the Secretary-General's call for increased representation of female personnel in field missions, we were particularly honoured to have provided the first full Female Formed Police Unit for peacekeeping work. This unit is completing its first year in assisting the UN Mission in Liberia and has been successful in reaching out to the most vulnerable sections of society, i.e. women and children, in a post-conflict environment, besides performing its normal duties.

In conclusion, Mr Chairman, we are fully committed to the purposes and principles of the UN and look forward to making UN peacekeeping an ever more effective and efficient tool in the maintenance of international peace and security.

Thank you, Mr. Chairman.



649. Statement by Member of Parliament and Member of the Indian Delegation to the UN Aruna Kumar Vundavalli on Agenda Item 65: Report of the Human Rights Council at the Third Committee of the 62nd session of the UNGA.

New York, November 5, 2007.

Mr. Chairman,

My delegation would like to thank the President of the Human Rights Council (HRC) for his statement under the agenda item 65 titled "Report of the Human Rights Council".

We welcome the decision of the UN General Assembly (UNGA) to allocate agenda item titled 'Report of the Human Rights Council' to the Third Committee. As the HRC is a subsidiary body of the UN General Assembly, it is natural that all its reports and recommendations be transmitted to the GA Plenary through the Third Committee, where the expertise on human rights issues resides. We are, however, conscious of the delay that may occur in consideration of the Report if it is to be referred to the Third Committee, given the different schedules of the two bodies. This calls for flexible functioning of the Third Committee so that the Report of the HRC is considered in a timely manner in New York. This aspect should be examined while formalizing reporting arrangements between the HRC and the UNGA. Attempts to trivialize this issue by stating that the HRC is a subsidiary body of the General Assembly, but not of the Third Committee, may not advance the goal of ensuring an effective Council. Our streamlining efforts should also look at avoiding duplication in reporting and presentation of reports by the Special Rapporteurs and other mechanisms of the HRC.

Mr. Chairman,

Since its inception in June 2006, the HRC has had multiple tasks to complete. Apart from devising an institutional framework, it was actively involved in evolving a new Universal Periodic Review (UPR), and also in reviewing, improving and rationalizing all mandates, mechanisms, functions and responsibilities of the former Commission on Human Rights. In addition, it had to consider pressing human rights situations, thus making its functioning more complicated during the first year.

We commend the Human Rights Council for accomplishing a multitude of complicated tasks, in particular adoption of the institution-building package in June this year. By holding six regular sessions and five special sessions, the HRC has also demonstrated its ability to swiftly react to human rights emergencies.

The Council devised the Universal Periodic Review mechanism vide its resolution 5/1, which we believe has the potential to inculcate a spirit of cooperation and dialogue in the work of the HRC. The stage is now set for the launch of the UPR mechanism in 2008 with the finalization of countries to be reviewed in the first three cycles. The UPR mechanism is a cooperative mechanism, with an emphasis on objective and transparent assessment of human rights situation in a country, sharing of best practices, and provision of technical assistance and capacity-building in consultation and with the consent of the country concerned. We also recognize that the UPR mechanism is evolving, and that the Council should review its modalities based on best practices and lessons learned. We are happy that India, a founding member of the Council, would be reviewed during the first cycle in early 2008.

Mr. President,

As regards the review and rationalization of the Special Procedures, some progress has been made by way of holding interactive dialogue with these procedures and with the renewal or discontinuation of some of them. There is, however, a lot more to be done. We are cognizant of the time constraints of the Council, and also the complex nature of the task. The Council should expedite the process of review and rationalization of the Procedures to meaningfully address the areas of duplication as well as gaps hitherto unaddressed. A significant achievement of the Council has been adoption of the resolution 5/2, which delineated a 'Code of Conduct' for its Special Procedures mandate-holders. We hope that this would significantly improve impartiality and objectivity of the mandate-holders, while allowing them to maintain their independence in discharge of their mandates and also making them more accountable to the Council.

A spirit of cooperation and mutual understanding should guide the work of the Human Rights Council. It should continuously strive to promote human rights through international cooperation and genuine dialogue among Member States, including capacity-building and mutual

assistance. We would also like the HRC to emerge as an important forum for voluntary participation and sharing of national experiences and best practices in promotion and protection of all human rights and fundamental freedoms.

We are encouraged by the efforts of the HRC to translate the Right to Development into a reality. Discussions on the Right to Development are gradually moving away from the realm of theory and principles into design and implementation of policies, leading to its realisation. In this connection, we note the significant contribution of the Working Group on the Right to Development. The three-phased roadmap outlined by the Working Group for developing and refining criteria for periodic evaluation of the global partnership for development as contained in Millennium Development Goal (MDG) 8, is a significant step forward.

Mr. Chairman,

India remains committed to working to make the Human Rights Council a strong, effective and efficient body capable of promoting and protecting human rights and fundamental freedoms for all.

Thank you, Mr. Chairman.



650. Statement by Member of Parliament and Member of the Indian Delegation to the UN A. Krishnaswamy on Agenda Item 57: Groups of Countries in Special Situations: [a] Third UN Conference on the Least Developed Countries; [b] Specific Actions related to the Particular Needs and Problems of Landlocked Developing Countries: Outcome of the Third International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation at the Second Committee of the 62nd session of the UNGA.

New York, November 5, 2007.

Madam Chairperson,

We would like to thank the Secretary-General for the reports on the agenda item "Groups of countries in special situations" under consideration today. We associate ourselves with the statement made by the Chair of the Group of 77.

Madam Chairperson,

The international community took note of the special needs of landlocked developing countries to effectively integrate into the global economy, through the formulation of the Almaty Programme of Action in 2003. This Programme lays emphasis on Transit Transport cooperation, and recognises that the constraints and challenges faced by transit developing countries must be effectively addressed in order to assist landlocked developing countries. It also underlines the inextricable linkages between trade and transit in improving the access of products from landlocked countries. Most importantly, the Programme provides a global framework for its implementation, involving partnerships between landlocked developing countries, transit developing countries and developed country partners.

We look forward to the results of the Five Year Mid-term Review of the Almaty Programme of Action, to be held in 2008. The two thematic preparatory meetings held earlier this year in Burkina Faso and Mongolia respectively have highlighted the limited progress made towards achievement of the goals of the Almaty Programme of Action, and have

underlined the importance of further assistance from the international community. We call for greater financial and technical support for transport infrastructure development, both physical and systemic, and capacity building in landlocked and transit developing countries in order to ensure the seamless integration of transport infrastructure of landlocked developing countries with their transit developing countries, and with any special transit corridor.

We concur with the importance of greater participation of landlocked developing countries in the multilateral trading system and for enhancing trade facilitation. Developed countries should provide enhanced market access to products of special interest to landlocked developing countries. We attach great importance to the ongoing negotiations on trade facilitation at the World Trade Organisation.

As a transit developing country with two landlocked developing country neighbours, India has taken special steps to enhance its friendly and historical links with its landlocked neighbours, including through cooperation on transit trade and transport issues. Special bilateral cooperation agreements are in force for easy transport of their goods through India. We have also extended economic and technical support for infrastructure development and capacity building, apart from promoting regional transport and trade connectivity.

Madam Chairperson,

The Brussels Programme of Action provides the framework for addressing the multifarious challenges confronting Least Developed Countries [LDCs]. The report of the Secretary-General has correctly highlighted that the focus of donor assistance must be on enhancing the productive capacity of LDCs in order to achieve sustained economic growth. This has been a recurring finding of various studies and reports. We must move away from a paradigm of offering palliatives to that of tackling the root causes of under-development, so that LDCs can truly achieve their development goals. This requires a proactive approach, involving support to national development strategies through new and additional financing, enhanced market access for products from LDCs, technology transfer at affordable rates, as well as institutional and capacity building.

We are heartened to note that some LDCs have graduated, or are in the process of graduating, from the list of LDCs. This is a tribute to their success in formulating and developing national development strategies. However,

we urge the international community to assist these countries in the post-graduation phase so that their achievements can be sustained. We also support the request by many LDCs for a re-examination of the graduation criteria.

Many LDCs are on track to meet their commitments regarding investment as well as in adopting and implementing national development strategies. Unfortunately, the international community has been tardy in fulfilling its part of the bargain. We note with concern that many donor countries have not met their target of Official Development Assistance to LDCs, and that there has been a drop in such assistance in the case of some donors. We reiterate the importance of Official Development Assistance for LDCs – not all countries have attracted enhanced private capital flows, nor are such flows channeled effectively to social sectors. We urge early fulfillment of their Official Development Assistance commitments by developed countries.

Regarding trade, it is important to sustain development in LDCs through enhanced market access for their products. Further, capacity building measures to diversify their trade needs to be supported by the international community through technical and financial resources. We also call upon developed countries to provide enhanced markets access to products from LDCs. We would like to reiterate that imports into India from LDCs will face a zero tariff regime by end of this year. We attach importance to the ongoing negotiations for the Global System of Trade Preferences.

Despite some improvement, debt problems of LDCs still present impediments in their progress. Channeling aid to write-off debt arrears does not generate additional financial resources. We call for greater collective efforts to address the problem of debt, including through innovative mechanisms like an international debt commission overseen by the United Nations. India has demonstrated its commitment to assist LDCs by writing off the debt owed by seven Highly Indebted Poor Countries [HIPC]. Further, our programme of Technical and Economic Cooperation, under South-South solidarity, has a special focus on assistance to LDCs in general, and with those in our extended neighbourhood, in particular.

Thank You.



651. Statement by Member of Parliament and Member of the Indian Delegation to the UN T. C. Gehlot on Agenda Item 12: Support by the United Nations System of the efforts of Governments to promote and consolidate New or Restored Democracies at the 62nd session of the UNGA.

New York, November 5, 2007.

Mr. President,

We thank the UN Secretary-General for his reports under the agenda item 12 titled "Support by the United Nations system of the efforts of governments to promote and consolidate new or restored democracies".

The United Nations has long supported nascent democracies in the conduct of elections and promoted transparent and accountable governance. It has also assisted countries emerging from conflict and political upheaval to build democratic institutions. We welcome the increasing role of the UN in facilitating international cooperation within the framework of the follow-up to the International Conferences of New or Restored Democracies, particularly in providing democracy assistance or advise.

Mr. President,

India is honored to be a regular participant at the International Conferences of New or Restored Democracies (ICNRD). It is important to share experiences on democratization and to identify means by which to promote pluralistic and participatory democracy. We note with satisfaction that the participation in ICNRD has grown from 13 countries at the first Conference in Manila in 1988 to 142 countries in Doha in 2006.

Democracy is a powerful ideal, but its successful exercise requires strong and enduring institutions, laws and procedures and the development of a parliamentary culture, whose essence is the accountability of those in authority to the ordinary citizens of the country. An independent and impartial judiciary, a free press, professional civil and military establishments, constitutionally empowered institutions to safeguard the rights of all sections of society, and an independent electoral mechanism; these are some of the more important elements of democracy.

Mr. President,

India's democratic heritage is rooted in its cultural ethos of tolerance, respect

for different view points and a ready embrace of diversity. India has demonstrated that stable, long-term growth can be successfully realized alongside a thriving democracy. Indeed, the Indian experience shows that implementation of proactive development policies and economic reforms, when coupled with a liberal democratic polity, leads to overall stability and growth and significant poverty reduction.

India has been sharing its rich experience, institutional capabilities and training infrastructure with nations that have sought its assistance. In the same spirit, India has also been supportive of UN efforts to build the institutional and human capabilities that are necessary to underpin the successful exercise of democracy. As the world's largest democracy, it was also natural for India to support the establishment of the UN Democracy Fund. We had made an initial contribution of \$10 million to this Fund and remain actively and constructively involved in realizing the objectives for which it has been set up. India has recently announced a further pledge of \$10 million to the UN Democracy Fund. It also stands ready to share its experiences and undertake collaborations with other countries under the auspices of the UN Democracy Fund, including in areas such as institutional building, awareness creation and leadership development.

Mr. President,

We have noted the Secretary-General's concrete recommendations on how to improve cooperation and coordination between the United Nations and other relevant movements and organisations concerned with the promotion of democracy. Apart from the International Conference of New or Restored Democracies, the United Nations is expanding its interaction with other inter-governmental organisations working in the democracy field, including the Community of Democracies and the Inter-Parliamentary Union. The suggestion that the UN could assist in creating mechanisms for coordination and cooperation among these global democracy movements needs to be carefully considered. UN efforts should perhaps, instead, focus on institution and capacity building in interested Member States.

Mr. President,

Our collective efforts should be on improving the capacity of Member States so that they can embrace the rule of law and democracy. The aim should be to continue to strengthen democracy where it is new or restored, and encourage its restoration where the transition to democracy is derailed. As the world's largest democracy, India is ready to join the efforts of Member

States to strengthen the activities of the United Nations to uphold and cherish democratic values.

Thank you, Mr. President.



652. Statement by Member of Parliament and Member of the Indian Delegation to the UN S. Y. Naik on Agenda Item 51: Information and Communication Technologies for development at the Second Committee of the 62nd session of the UNGA.

New York, November 5, 2007.

Madam Chairperson,

We welcome the opportunity to participate in the discussion on “Information and Communication Technologies for Development”. We associate ourselves with the statement made by the Chair of G77.

Madam Chairperson,

This agenda item is of particular importance to developing countries in view of its immense potential in assisting and boosting development efforts. Apart from opportunities offered by the Information Technology and related areas as growing services sector which developing countries can take advantage of, Information and Communication Technologies also exercise a critical positive influence on almost every field through their extension and application, thereby stimulating the development of other sectors of the domestic economy. There exist enormous benefits of using Information and Communication Technologies in, inter alia, reducing transaction costs, expanding access to remote and rural areas, improving marketing capabilities of rural poor, reducing intermediaries in delivery chains and enhancing government accountability and democratic participation. Some areas that have direct linkage with benefits from deploying Information and Communication Technologies include education, health care, financial services, and administrative services.

As countries move up the development ladder, the contribution to the economic output of a country shifts from agriculture to manufacturing to

services. Buoyed by the revolution in the Information and Communication Technology sector since the last decade of the 20th century, the global economy has seen a similar shift to the services sector. This presents a special opportunity for developing countries. By effectively utilizing their comparative advantage in labour and human capital, rather than relying on material resources, developing countries can hope to reap the benefits of this global phenomenon more equitably. In addition, this leads to generation of employment. Thus, the Information Technology revolution presents a real and profound opportunity to increase the pace and scope of the benefits of development.

However, the primary challenge is of developing appropriate human resources, which is crucial for taking advantage of Information and Communication Technologies. This can only be done through capacity building. We also need to focus on making these technologies affordable and user-friendly. Only then can we progress toward bridging the digital divide. We call upon the international community to extend technical and financial support, particularly through the United Nations, so that developing countries can fully bring Information and Communication Technologies within reach of millions. We support the role of the Commission on Science and Technology for Development, and its enhanced mandate on follow-up process to the World Summit on Information Society.

Madam Chairperson,

India's has been striving to take advantage of this Information Technology revolution. This sector, particularly the Information Technology Enabled Services sector, has seen astronomical growth rates and has generated growth accompanied by employment. The contribution of this sector to our national economic output is now over 5%, from merely 1.2% at the turn of the century. Business Process Outsourcing [BPO] has been a key element in the rapid growth of global services trade, and has led to the acceptance of an Information Technology based global delivery model. Numerous sectors worldwide have derived benefit of Indian BPOs, including banking, financial services and insurance, telecommunications, manufacturing, retail sector, media, healthcare, transportation and utilities. India has a significant share of the global Information Technology services sector. Export revenues are over US\$ 30 billion annually, and are on track to reach US\$ 60 billion by 2010.

The resultant employment generation from the Information Technology sector growth has made a positive impact on the socio-economic dynamics

of the country. It has also spawned a number of ancillary businesses linked to transportation, real estate, etc. This sector is also a testimony to the success of the private sector and the State working together – a sector led by private initiative and enterprise, but supported by public policies of human resource promotion, enabling legislation, and other inputs.

India is committed to harness the benefit of deploying Information and Communications Technology in diverse areas. We have launched an ambitious programme to promote e-Governance at all levels. The areas include road transport, land records, taxes, agriculture, treasuries, land registration, education, passport, postal service and identification documents. We have also initiated a programme for taking the benefits of Information Technology to the most remote parts of the country. Combined with satellite based communication technology to create wide area networks, the objective is to reach rural areas through initiatives like teleeducation and tele-medicine. In parallel, we are working to make Information and Communication Technologies affordable to the masses.

Madam Chairperson,

As part of South-South solidarity, India has been assisting in the setting up of a connectivity project in Africa to support tele-education, tele-medicine, e-governance, infotainment, resource mapping and meteorological services, for 53 countries across the continent using fibre optics and a dedicated satellite. India has also been assisting in projects relating to vocational training in several partner countries in Asia and Africa for promoting Information Technology, setting up Information Technology training centres as well as offering scholarships for training in this area.

I would like to conclude, Madam Chairperson, by emphasizing the importance of Information and Communication Technologies to fast-track development processes, and call for concerted efforts by the United Nations system to assist developing countries in this regard.

Thank You.



653. Statement by Member of Parliament and Member of the Indian Delegation to the UN Aruna Kumar Vundavalli on Agenda Item 58: Eradication of Poverty and other development issues; [a] Implementation of the First United Nations Decade for the Eradication of Poverty (1997-2006); [b] Women in the Development; [c] Human Resources Development at the Second Committee of the 62nd session of the UNGA.

New York, November 6, 2007.

Madam Chairperson,

We thank the Secretary-General for the reports on the agenda item "Eradication of poverty and other development issues" under consideration today. We associate ourselves with the statement made by the Chair of the Group of 77.

Madam Chairperson,

Eradication of poverty remains the central development priority for developing countries. As the report of the Secretary-General indicates, while some progress has been made towards this objective during the first United Nations decade for eradication of poverty from 1997 to 2006, there is a grim reminder that much more remains to be done. Many parts of the world, particularly sub-Saharan Africa, are not on track to meet the poverty target of the Millennium Development Goals [MDGs]. We must also remember that the MDGs are not an end in themselves, and significant challenges of poverty eradication will remain even after achievement of the MDGs. Economic growth has not been accompanied by employment generation, which is crucial for poverty eradication. Moreover, the international community has not fulfilled its promises of providing new and additional financing to support efforts of developing countries. The report correctly notes that, in real terms, spending on core development programmes have remained at the level of the early 1990s.

There is no "one-size-fits-all" answer to the complex problems of poverty eradication. Each country must have the policy space to formulate and implement its own development strategy, based on its unique challenges and conditions. Economic growth must be sustained, pro-poor and inclusive. While the private sector is important, the State must play a role in ensuring

equity and social justice. In addition, a conducive international environment is essential, which can assist developing countries to implement their strategies through aid, enhanced market access and technology transfer. We welcome the recognition of the impact of the ill-designed structural adjustment policies of the international financial institutions on African countries, most of whom are still suffering the effects. There is an urgent need to reform the international financial architecture, overseen by the United Nations. Greater flexibilities are required in international regimes to ensure primacy of the development dimension.

Madam Chairperson,

As this body has declared in the past, gender equality and empowerment of women have a critical role in the development process, particularly through a multiplier effect. Participation of women in decision-making and policy formulation, improvement in women's literacy, enhancing women's access to productive resources and opportunities, and investing in women's health and nutrition, significantly enhance sustained economic growth and reduce poverty. In this regard, we emphasize the importance of gender sensitivity in formulating and implementing national development strategies, and call for greater financial and technical resources from the international community to assist developing countries.

India is committed to promoting the participation of women in government decision making. We attach great importance to the empowerment of women. We are actively implementing the commitments undertaken in the Beijing Platform for Action. Through amendment of our constitution, we have provided for a minimum of 33% representation of women in local selfgovernment nationwide. This has led to the mobilization of women in rural areas across the country and has brought over one million women at the grassroots level into political decision-making. We have institutionalised gender-sensitive budgeting and are promoting gender responsive legislations. We are also making efforts to mainstream gender in policies and programmes of various Government departments. The Government actively encourages and supports group initiatives in formation of women's self-help groups. Today, there are more than 2 million women self-help groups in the country supporting more than 10 million rural families. We are also encouraging women entrepreneurs through special assistance schemes.

Madam Chairperson,

Developing countries have a comparative advantage in availability of

manpower. However, this human capital can only be utilized effectively for enhancing economic output through proper human resources development. This involves investing, inter alia, in health and nutrition, education and vocational training, so that a skilled workforce becomes available. In today's globalized world, the scientific and technological knowledge base of a country's human resource is a key determinant of competitiveness, productivity and level of development. Use of information and communication technology can significantly assist in this regard, through programmes like tele-education. The development of India's information technology sector is a testimony to the importance of creating a skilled workforce through human resource development.

We agree with the Secretary-General that scientific and technological knowledge cannot be simply transferred and applied. It requires a scientific and technical base in the recipient country, along with effective transfer of technology. However, developing countries often lack the resources necessary to make investments in institutions for technical and tertiary education. Moreover, international technology regimes present barriers in the form of technology denial or prohibitive costs. We call upon the international community to provide financial resources and technical assistance to developing countries towards capacity building, effective technology transfer, collaborative research and development, and setting up of training institutions for imparting advanced vocational training. Only then can developing countries fully utilize their human resources to achieve sustained growth.

Thank You.



654. Statement by Member of Parliament and Member of the Indian Delegation to the UN Shripad Yasso Naik on Agenda Item 33: United Nations Relief and Works Agency for Palestine Refugees in the Near East at the 62nd session of the UNGA.

New York, November 8, 2007.

Mr. Chairman,

At the outset, I express India's appreciation to the Commissioner General of the United Nations Relief and Works Agency (UNRWA), for the annual report on the Agency's extremely important work over the past year in Jordan, Lebanon, Syria and the Occupied Palestinian Territories. We also thank the UNRWA Advisory Committee and the members of the working group on the Financing of UNRWA, for their efforts in support of the work of UNRWA. India also places on record its admiration for the difficult and often risky work that UNRWA has carried out over the past nearly six decades, placing service to the Palestinian refugees as its highest priority.

Mr. Chairman,

The report, and other reports of the UN Secretary-General under this agenda item, bring out very clearly that UNRWA is faced with a serious crisis. As the report notes, several of the challenges directly impinge upon the well-being of Palestine refugees and the Agency's ability to efficiently and effectively discharge its humanitarian and development responsibilities. The outcome of our collective failure to address these issues will be felt inevitably in the already volatile political and social situation in the region.

The first of the challenges before UNRWA that needs to be addressed is the crisis of financing. The budgetary shortfall of UNRWA is growing, and this takes place at the same time as demands upon UNRWA for assistance and support have increased. The overcrowded refugee camps of the Palestinian refugees—many of whom are in camps for more than one generation—are increasingly in need of upgradation of basic services. Separately, the tightening of access controls including the closure of the Sufa border crossing, the weakening financial position of the Palestinian Authority due to the lengthy international boycott, and the inter-Palestinian conflict has led many refugees to seek assistance for the very first time, after decades of self-reliance. Therefore, there is need for greater international effort to improve UNRWA's financial health.

Mr. Chairman,

The insecurity bred by extreme levels of poverty among the Palestinian people in the Occupied Territories is heightened by the perilous security situation in Gaza and the West Bank, particularly since the events of June 2007. At the same time, continued expansion of Israeli settlements, in contravention of the Fourth Geneva Convention and the Road Map, and continued construction of the separation wall will only contribute to a further sense of siege of the Palestinian people. As the report by the Commissioner-General notes, the degree to which civilian lives and safety are currently at risk requires us to think of expedited, creative and forthright political measures to create an environment of stability.

Paralleling its financial constraints, the operational window for UNRWA continues to shrink. It is a matter of grave concern that the security environment has forced UNRWA to evacuate its personnel from Gaza, and that its own access to persons in the Occupied Territories remains tenuous. The detention, on occasion, of its staff by Israel is unacceptable; respect for humanitarian access and the sanctity of humanitarian premises is imperative for all parties on the ground. The regrettably continued levy of fees and charges for the transit of humanitarian goods through Israeli ports is worsened by the increasingly frequent closure of the few existing crossing points into Gaza. The decision to limit crossings to one border point would only further worsen access issues and exacerbate shortages. In the latest briefing to the UN Security Council, the UN Under Secretary-General for Political Affairs had underscored the fact that the “humanitarian situation in Gaza is deteriorating alarmingly”, adding that it was “difficult to see how security concerns could justify the hardship” that such measures were causing.

Mr. Chairman,

This leads us to the larger point: the only lasting solution to the problem of the Palestinian refugees is a just, lasting and comprehensive solution to the longstanding conflict in the Middle East. The ongoing cycle of violence and counterviolence only makes the prospects of an eventual peace more remote. It remains critical for the parties to the conflict and the international community—in particular the Quartet—to redouble their efforts to find a way to bring peace to the Middle East. Nevertheless, until that day when a mutually-acceptable peace is in position, it is incumbent upon all of us to fully support UNRWA, as the primary source of humanitarian relief assistance to the Palestinian refugees.

Thank you, Mr. Chairman.



655. Statement by Member of Parliament and Member of the Indian Delegation to the UN Arun Kumar Vundavalli on Agenda Item 68: Elimination of Racism and Racial Discrimination and Agenda Item 71: Right of Peoples to Self-determination at the Third Committee of the 62nd session of the UNGA.

New York, November 8, 2007.

Mr. Chairman,

I have the honour to speak on Agenda items 68 and 71 on 'Elimination of racism and racial discrimination' and 'Right of peoples to self-determination' respectively. We thank Mr. Doudou Diene, Special Rapporteur on Contemporary forms of Racism, Racial Discrimination and related Intolerance, and Mr. José Gomez del Prado, Chairperson of the Working Group, on the use of mercenaries as a means of violating human rights and impeding the exercise of the right of peoples to self determination, for their statements in the Committee.

The Special Rapporteur has drawn the attention of Member States to the alarming signs of a retreat in the struggle against racism, racial discrimination and xenophobia. In this context, he specifically referred to two serious developments namely the growing acceptance of the usage of racism and xenophobia due to racist and xenophobic platforms of political parties and a rise in racist political violence. He drew attention to the emergence of immigration and asylum issues as the major sources for resurgence of racism and xenophobia. He also referred to the serious nature of defamation of religions and recommended that the United Nations should strengthen the role of inter-religious, inter-cultural and intra-religious dialogue to address the problem.

We support the Secretary-General's call for a multi-faceted approach to combat racism, including through adoption of relevant legislation and amending existing laws combined with action at the national level based on strategies elaborated through national action plans. In addition, effective implementation of the commitments made in the Durban Declaration and Programme of Action of key importance to foster social harmony. We look forward to a constructive dialogue during the two scheduled substantive sessions of the Preparatory Committee in 2008 to finalize the arrangements for the Durban Review Conference to be held in 2009.

Mr. Chairman,

India has maintained unwavering support and solidarity for the people of Palestine to attain their inalienable rights, including the right to self-determination. Palestine remains the unfinished task in the realisation of the right of peoples to self-determination. It is in this context that India has consistently urged the resumption of a direct, face to face dialogue of principals, based on the Quartet Principles. We also remain convinced that the Roadmap, as endorsed by UN Security Council Resolution 1515, remains a valid framework of reference for an eventual settlement, even though its originally-envisioned target date for a settlement has already passed.

We are with the overwhelming majority of countries who consistently affirm their commitment to a negotiated two-State solution, accepted by the two principals, that would result in a viable, contiguous, sovereign and independent State of Palestine, existing side-by-side with Israel in peace and security. We support the call of the UN Secretary-General to consider innovative ways by all sides in order to fully implement the Roadmap and thus lead, without delay, to a just, fair, equitable and mutually-acceptable solution to this conflict, based on relevant UN resolutions, including Security Council resolutions.

Mr. Chairman,

Attempts continue to be made at the United Nations and elsewhere to reinvent some of the basic principles of the Charter, such as self-determination, and to apply them selectively for narrow political ends. We believe that it is necessary to once again place the concept of right of peoples to self-determination in historical perspective. Relevant international principles re-affirm India's consistent view that self-determination is a right applicable to the peoples of non-self governing colonies and trust territories. Once exercised, this right enables a whole people to freely choose their own form of Government and for all segments of society to collectively participate in national decision making through representative, democratic institutions. The international community has consistently affirmed that the right of self-determination does not extend to component parts or groups within independent sovereign states and any attempts aimed at the partial or total disruption of their national unity are incompatible with the purpose and principles of the UN Charter.

The right to self-determination cannot become an instrument to promote

subversion and erode the political cohesion or territorial integrity of sovereign member states of the UN. It cannot be abused to encourage secession and undermine pluralistic and democratic states. Moreover, there is no room for selfdetermination to be distorted and misinterpreted as a right of a group, on the basis of ethnicity, religion or racial criteria, or any other such categorization, and use it to attempt to undermine the sovereignty and territorial integrity of a state.

Mr. Chairman,

In this context, we regret the unacceptable references to the Indian State of Jammu and Kashmir made by the delegation of Pakistan. It would suffice to say that the Indian State of Jammu & Kashmir is an integral part of the Union of India. Its people have exercised their right of self determination at the time of India's independence and have, since then, repeatedly and regularly participated in free, fair and open elections at all levels. In contrast, Pakistan pretends to be a protector of human rights while denying even a semblance of such rights to the people of Pakistan-occupied Kashmir and to the people of Pakistan itself. Pakistani authorities would also do well to listen to their own people, including the judiciary, who are demanding human rights and the rule of law.

By its references Pakistan is trying to divide the ranks of those who support the inalienable rights of the Palestinian people to self-determination. It will never succeed in its efforts.

We do not consider the sentiments expressed by the delegation of Pakistan as being helpful as these have the potential of vitiating an atmosphere that has been painstakingly created as a result of the Composite Dialogue between us so far.

Thank you, Mr. Chairman.



656. Statement by Member of Parliament and Member of the Indian Delegation to the UN Vijay Krishna at the 2007 Pledging Conference for Development Activities at the Second Committee of the 62nd session of the UNGA.

New York, November 12, 2007.

Madam President,

We thank you on election as President of this Pledging Conference. We thank the Secretariat for the documentation prepared for this 2007 United Nations Pledging Conference for Development Activities.

The development activities of the UN system represent the United Nations to the outside world. For the millions of people in the real world outside, the work of the UN is understood through the activities of the UN funds, programmes and specialized agencies. India is convinced that the development agenda of the United Nations must receive the highest interest and attention of Member States. India believes, along with other developing countries, that the development agenda represents a shared global commitment to poverty alleviation transcending national borders. India believes that through participation in this Pledging Conference a Member State can demonstrate its continued faith in the development agenda of the United Nations.

The voluntary contributions by India to the Funds and Programmes of the UN system are proof of its commitment to multilateralism and to international solidarity in the process of development and poverty eradication. The United Nations Special Fund was established in 1958. For its first five years, India's financial contributions amounted to more than one-third of the total contributions of all developing countries. Since then, our contributions, even though modest, have been amongst the largest from the South and at times larger than those of some OECD countries.

Madam President,

I have the honour to announce India's pledges of contributions for operational activities for development of the UN system for the year 2007. These are as follows:

- i) United Nations Development Programme \$ 4.5 million
(UNDP)

ii)	World Food Programme (WFP) (for the biennium 2005-06)	\$ 1.92 million
iii)	UN Children's Fund (UNICEF)	\$ 900,000/-
iv)	UN Population Fund (UNFPA)	\$ 500,000/-
v)	UN Development Fund for Women (UNIFEM)	\$ 20,000/-
vi)	UN International Research & Training Institute for the Advancement of Women (INSTRAW)	\$ 1,100/-
vii)	United Nations Environment Programme (UNEP)	\$ 100,000/-
viii)	UN Centre for Human Settlement (UNHABITAT)	\$ 80,000/-
ix)	UN International Drug Control Programme (UNDCP)	\$ 3 0 0 , 0 0 0 / -
x)	UN Relief & Works Agency for Palestine Refugees in the Near East (UNRWA)	\$ 20,000/-
xi)	UN Volunteers (UNV)	\$ 15,000/-
xii)	UN Crime Prevention and Criminal Justice Fund (UNCP&CJF)	\$ 3,000

Thank you, Madam President



657. Statement by Counsellor at the Permanent Mission of India at the UN Mrs. Neeru Chaddha on Agenda Item 157: Report of the Committee on relations with the host country at the Sixth Committee of the 62nd session of the UNGA.

New York, November 12, 2007.

Mr. Chairman,

We thank the Committee on Relations with the Host Country for its Report. This Committee provides a useful forum for addressing issues relating to the functioning of Missions of Member States and for enabling their representatives to perform their functions without hindrance.

This year the Committee had examined a number of problems related to transportation, acceleration of immigration and customs procedures, privileges and immunities of diplomatic personnel, entry visas and host country travel regulations. The open and transparent exchange of views in this forum helps in addressing the issues in question in a spirit of cooperation and in accordance with international law.

We appreciate the host country's commitment to fulfill its obligations under the Convention on the Privileges and Immunities of the United Nations and the Host Country Agreement, to accord facilities to missions accredited to the United Nations to ensure their smooth functioning.

Mr. Chairman,

The issue relating to imposition of municipal taxes on diplomatic missions is one such issue to which the host country must give due attention. The City of New York has imposed taxes on the premises of the Indian Permanent Mission to the UN that is used to house its diplomats. India is presently pursuing the case on merits in a New York District Court. However, we continue to believe that under international law and Vienna Convention on Diplomatic Relations, my government, being a sovereign, is immune from the jurisdiction of US Courts and is not liable to pay property tax in respect of the portion of the building of the Permanent Mission owned by it and occupied by its diplomats for residential purposes.

We understand that many Permanent Missions are facing a similar problem. We are interested to know what the host country is doing to resolve the

situation that has arisen from a given interpretation of its law. We hope that the host country will devote urgent attention to the matter and take steps to remove the ambiguity in its laws so as to ensure that it grants to the UN Member States and their staff the same privileges as are granted to other diplomats accredited to it. This is a requirement under the Headquarters Agreement between the UN and the United States.

As regards entry visas, immigration and customs procedures, we recognize that the host country has a right to monitor and control entry into its territory and to adopt the requisite security measures it deems necessary. This has to be balanced, on the one hand, with the right of delegations to participate in the work of the UN and, on the other, to ensure that delegations do not misuse their privileges and immunities. Nevertheless, security and immigration officials must also be made aware of the privileges and immunities enjoyed by diplomats and their families with a view to maintaining respect for them.

We also welcome the steps taken to address the parking problems of diplomatic missions and hope that the residual issues in this respect, including the request for parking slots by the Indian Mission, would also be addressed soon.

Thank You Mr. Chairman



658. Remarks by Permanent Representative at the UN Nirupam Sen on Agenda Item 9- Report of the Security Council and Agenda Item 122: Equitable Representation on and Increase in the Membership of the Security Council and other related matters – Joint Debate in the General Assembly.

New York, November 13, 2007.

Mr. President,

I thank you for convening this joint debate on Agenda Item 9 - Report of the Security Council and Agenda Item 122 - Equitable Representation on and Increase in the Membership of the Security Council and Other Related Matters. Let me begin where the Chairman of the Non Aligned Movement

concluded - by congratulating Burkina Faso, Costa Rica, Croatia and Viet Nam for being elected as non permanent members of the Security Council. Let me also thank the distinguished Permanent Representative of Indonesia for introducing the Report of the Security Council No. A/62/2.

The debate was convened on an auspicious day - Veterans Day. If we continue in this manner, we shall witness many veterans of UN Security Council reform in the years to come as in the years gone by. If words alone could reform the Security Council, then this torrent of words would long ago have comprehensively reformed it. We now must move from words to action. During the introduction of the Security Council Report, we heard about thematic debates on natural resources and conflict and the setting up of special tribunals. In terms of the Charter, these are matters for the General Assembly and not the Security Council. In terms of Article 29, the Security Council can certainly set up subsidiary organs but it cannot give them legal powers, on the well established legal principle of Roman law *nemo dat quod non habet* - you cannot give what you do not have. The doctrine of implied powers and subsequent practice are not applicable because the Security Council is concerned with immediate peace and security for which its powers are adequate and the general membership has never specifically approved the practice. The Charter has not been able to bind the Security Council. Non permanent members have not been able to prevent this.

Member states across groups both yesterday and this morning have criticized the Security Council on many issues. They have said that the report lacks analytical content. One of the representatives of the Uniting for Consensus said that there are no substantive elements and the same deficiencies year after year. But then he went on to say that the Council should be expanded only in the non permanent category when non permanent members have not been able to do anything about these deficiencies. In 2002 Singapore did excellent work and for a very short time the report was more analytical but this proved to be a flash in the pan, at best an Indian summer and then things went back to the good or bad old ways. Indeed this year's report also is a collection of facts in the style of Mr. Gradgrind in "Hard Times". Such a total concentration only on facts borders on fantasy. The same representative of Uniting for Consensus said that we should exclude elements that prejudge the final result and then promptly went on to prejudge it by stating that expansion should be limited to only non permanent members. Another member state said that the Council has become virtually inaccessible and most of its sessions are closed. This is a

fact. It is also a violation of Articles 31 and 32 of the Charter. In terms of these articles, the Council has the discretion only to determine if the interests of a member state are affected but once this is obvious it has no discretion on not allowing the member state to participate in its proceedings. This is the clear legal meaning of the Charter. Non permanent members have not been able to ensure adherence to Charter provisions.

On Troop Contributing Countries (TCCs), Argentina and New Zealand did excellent work some years back but this also proved short lived. The Council is in breach of the spirit of its own Resolution 1353 because when TCCs are called for a meeting, the resolution concerned has already been finalized and the issues decided upon so that the meeting is proforma. Resolution 1353 in any case is only a partial and belated attempt to implement the Charter. Article 44 of the Charter is clear: TCCs have to be involved in decisions (not merely discussions) which can be interpreted to mean the right to vote. The Council demands obedience (Article 25) and levies troops which the TCCs provide without any real say in their political and military mandate. It will be recalled that this was an essential feature of the feudal and colonial systems and this enables the Council to 'feed where it has not furrowed and keep warm where it has not woven'. Non permanent members have not been able to maintain the Charter balance, ensure implementation of its articles and therefore it is hardly logical to think that adding more non permanent or even renewable non permanent members can make any difference.

A member state said that the General Assembly is repeating the same criticisms year after year of the Council's working methods. There has been overwhelming criticism of the Council's working methods during this debate. In fact there has been criticism since at least 1949 beginning with the famous Resolution 267 (III) of 14 April 1949. This is a far more radical resolution than the S-5 resolution which only 'invites' the Council to improve its working methods, an invitation the Council has rejected repeatedly. Separating enlargement and working methods has not produced either one or the other. Non permanent members have not and cannot make any difference. Only members elected to the existing permanent category but held accountable through reviews can make a difference. Everything else has been tried for more than half a century and made no difference.

A leading light of the Uniting for Consensus criticized the Security Council for double standards, non analytical reports, closed door sessions, lack of coordination with GA and ECOSOC etc. His criticism was unfair. I may be

accused of paradox. The reason I am saying this is that though he expressed his dissatisfaction, he is quite satisfied to continue with his dissatisfaction. He is quite satisfied to propose expansion in the non permanent category and thereby let the problems he has mentioned remain or even increase. He is content to make statements every year and be satisfied with the euphonious sound of this annual ritual including this debate rather than urgently get down to the concrete business of negotiations aimed at transforming the Security Council. The UFC talks of representation but not representation among the permanent members, of checks and balances but nothing to check or balance the permanent members. The leading light of the UFC spoke of democracy (but not of democratizing the permanent category). In any case he reminded me of the words of Lycurgus, the great law giver of the Spartans: he told somebody, "Do you first set up a democracy in your home". Democracy, like charity, should begin at home. However, let us consider the question of democracy. Another member of the UFC asked if democracy meant leaving the winner in perpetuity.

He forgot to ask if democracy means leaving the untrammelled power of a few untouched in perpetuity. Another representative of the UFC said that repeated elections ensure accountability. I would be the first to agree that this is a necessary condition. But it is emphatically not a sufficient condition. Are the non permanent members accountable and, if so, to whom? Even when regional groups have a clean slate, they often do not find them accountable. The NAM has not found its representatives in the Council accountable many times. Therefore separate action on accountability is needed. Elected permanent members held accountable for ensuring Charter balance and specific new working methods through a sustained review mechanism and even some amendment to Chapter II to bring in the right of recall (an old democratic principle) can both make a radical difference and ensure accountability.

Some spoke of the need for the GA to inspire the Council. There is only one occasion when do so and then also partially on working methods and this was through its Resolution 11 (1) of 24 January 1946 on the process and method of selecting the Secretary General. There is a whole chapter in John Bolton's "Surrender is not an Option" which shows how the selection was based on a national agenda, private agreements, promises, bypassing in real terms not just the non permanent members but even one or two permanent members. In short, the picture that John Bolton paints of the Council's selection process is the most dismal and dysfunctional imaginable. The crushing irony and paradox is that the strongest exponent of the

Council's right to decide its own working methods and opponent of GA oversight and role has proved the necessity of GA oversight and role. He has validated the GA's earlier attempt to play a concrete role in the SG's selection process.

While the GA is adapting to ever lowering expectations, the Council remains dysfunctional. Earlier its reach exceeded its grasp; today its grasp exceeds its reach. Earlier the content was more than the phrase; today the phrase is more than the content. Earlier the substance was more than style; today the style is more than substance. Incidentally, John Bolton on page 255 of his book states that "I did not think that the UN Security Council is doing many of its jobs very well" and on page 344 he admits that the Council is 'massaging problems rather than resolving them'. This is not my phrase, it is his, that problems are being massaged rather than resolved.

Let me now turn to steps that can be taken now and let me begin with Resolution L69 on which many have spoken. Before that permit me to thank some permanent members and members from different regions who have supported expansion of permanent membership as well as the claims of the G-4 and India. The reason why the L69 Resolution was introduced is well known. In spite of repeated efforts, because of the opposition of a tiny minority of countries, it had not been possible to clearly state in the mandate given to the President of the Sixty Second Session of the GA to conduct concrete, result oriented inter-governmental negotiations on the basis of the progress achieved in the Sixty First Session and the positions and proposals of the Member States. L69 led to this unanimous mandate. As a member state (a former facilitator) said, we have reached the bridge and now we have to find the best way of crossing it. If we do not find this way, I am afraid the bridge will remain a 'bridge too far'. One of the permanent members made two important points and we agree with both of these - the first being that any reform that does not address the concerns of Africa will not get our endorsement. As the Bible puts it, the first shall be last and the last shall be first. It is about time that we gave this practical shape in the UN. A continent that has borne so much of the burdens and sorrows of mankind should assume its place of dignity in the Security Council. The second point is the launching of intergovernmental negotiations and defining the basic framework and content so that we know what will be negotiated on. It is precisely with this in mind that we thought that we could assist the President on doing precisely this through a small text that we circulated to all the African countries (since some of them had said that they would like to be consulted before any action is contemplated) and to some other

countries. Some member states have interpreted what Africa and Small States, including SIDS, want. It may be better, for a change, to listen to what they are saying. Many of their representatives, as well as states from other regions, have clearly said in this debate that the practical way is to determine through an objective and transparent method, the elements from all the positions and proposals before the UN, that command the largest support. These elements could also be grouped in alternative packages which could be tested through an objective and transparent method - many Small states and others have referred to questionnaires and straw polls. Another member state (a former facilitator) clearly said that we need a text on which to negotiate. He also spoke of a particular member state as having multiple identities. He did not mention one of these - which is that of an inquisitor.

A member state who took some colleagues from the African group to task reminded me of Col. Pickering's words in the Broadway musical "My Fair Lady": "I'd rather have a new edition/Of the Spanish Inquisition". He excoriated his colleagues for cosponsoring L69 which he said circumvented the Ezulwini Consensus. It is for the African Group to decide on how much proprietary right he has on Africa; we are more interested in how little proprietary right he has on logic. By speaking of expansion of existing permanent members, L69 leaves implicit all their rights and privileges. On the other hand, he spoke approvingly and without comment of the interim model that circumvents both permanence and the veto. He thereby circumvented his own circumvention. He went on to speak of the necessity of well above two-thirds support on which the Ezulwini Consensus is silent. He then spoke of reaching a common understanding between AU, G-4, UFC and S-5 but without touching the Ezulwini Consensus to which he is totally committed and without negotiations to which he is totally opposed. The only way to achieve this understanding would be through a miraculous and mystical communion of minds. As I have said many African states wanted prior consultation. This member state's position is that if we do not consult them before hand, it is bad; if we do consult them before hand, it is also bad. In short, the best thing is to do nothing. He also spoke of representation of civilizations. And we have high respect for all civilizations. His is an ancient civilization and one of its elements was the art of very long term embalming and that is why we have what we today call mummies. I hope he was not suggesting this civilizational art of embalming and mummifying the UN Security Council reform. The mandate is clear - it is for negotiations and not further consultations.

The warmth of debate is a part of hospitality 'like the warmth of the fire'. Some friction is necessary for optimal forward movement. We know this from classical physics. The ship needs the friction of the water to move forward; the train would not run without the friction of the sliding of its wheels on the rails. But if friction is replaced by obstruction, the ship and the train would rust and rot instead of moving forward. The United Nations has been compared unfairly to the Tower of Babel because the diversity of languages and opinions is a source of strength and life giving. But if we misconstrue a clear mandate for negotiations as being for consultations then it would become a real Tower of Babel in the sense of language becoming babble. I can understand that negotiations may be a difficult prospect for some because they mean negotiating through multiple tensions but inaction is politically unacceptable and morally suspect. We have to urgently find a practical way that is objective and transparent of implementing a clear mandate.

All periods of change require an increased charge of energy and I am sure that the General Assembly would be able to provide such energy to comprehensively reform and transform the UN Security Council.

I thank you, Sir.



659. Statement by Member of Parliament and Member of the Indian Delegation to the UN Sachin Pilot on Agenda Item 53: Follow-up to and Implementation of the Outcome of the International Conference on Financing for Development at the Second Committee of the 62nd Session of the UNGA,

New York, November 14, 2007.

Madame Chairperson,

We thank the Secretary-General for the reports on the agenda item "Follow-up to and implementation of the outcome of the International Conference on Financing for Development" under consideration today. We associate ourselves with the statement made by the Chair of the Group of 77.

Madame Chairperson,

The recently held High-Level Dialogue of the General Assembly on Finance of Development provided an important opportunity to examine the progress made in the implementation of the commitments of the Monterrey Consensus. The event clearly indicated that despite promises made, progress in financing for development has been slower than expected and many of the development finance objectives set in 2002 have not yet been met. While developing countries have made significant efforts towards good governance and domestic resource mobilization, support by the international community has lagged far behind. Flows of Official Development Assistance are far below target; debt relief has not led to envisaged additional funds for development; private capital flows have not benefited all countries, nor have they been useful for promoting investment in social sectors; and trade-distorting agricultural subsidies by developed countries and limited market access continue to negatively impact developing economies. Most importantly, the issue of restructuring of the international financial architecture has not been adequately addressed. Developing countries continue to lack the necessary voice and participation in international financial and economic policy making and norm-setting. As the President of the General Assembly stated during the High Level Dialogue on Financing for Development, legitimacy and credibility of some institutions now depends on increasing the voice and participation of developing countries in the international financial architecture. We believe that a comprehensive review of the implementation of the Monterrey Consensus must be undertaken at the Doha Review Conference, with particular focus on 'systemic issues'. In addition, the issue of enhancing the follow-up mechanism of the Monterrey Consensus should also be considered at the Review Conference.

Madame Chairperson,

The report of the Secretary-General also provides detailed analysis of the various dimensions of the status of progress in the implementation of the Monterrey Consensus. We welcome the emphasis in the report on the need to restructure the international financial architecture. We fully share the concerns raised on the legitimacy and effectiveness of international structures and policy approaches that have the mark of the post-Second World War period. The Bretton Woods Institutions, though impacting developing countries the most, do not have a structure that would permit the effective voice and participation of developing countries. We reiterate the importance of time-bound action on the issue of reform of these

institutions, as well as on the need for oversight by the United Nations on their policies.

We welcome the recognition in the report that private sector investment, often touted as a panacea for lack of development financing, cannot replace public sector investment in infrastructure. Further, that private investment is closely linked to public investment in infrastructure and other competitiveness-enhancing activities. We would add that public investment is particularly important in social sectors and in human resource development. In this regard, the report has correctly noted the critical role of the public sector in development and its indispensable role in sustaining growth. We emphasize the importance of public sector in securing equitable and inclusive growth. We agree with the report that overemphasis on fiscal balance and price stability should not detract from permitting public investment. Accordingly, Official Development Assistance remains crucial for many developing countries.

Madame Chairperson,

The report of the Secretary-General notes that developing countries have increased social expenditures, clearly underlining the commitment of developing countries to implement their commitments of the Monterrey Consensus. However, we share the concern about the ability of debt relief measures to provide additional resources to put all low-income countries on a sustainable debt repayment path. We support proposals for discussing what really counts as aid. Official Development Assistance to write off debt arrears, which does not generate new and additional resources, should not count as aid. Further, aid must assist national efforts and strategies. In this regard, the report has correctly highlighted the importance of predictable and stable aid flows. Sudden increase and decrease in aid can have a negative macroeconomic impact, with difficulties in absorption of sharp aid increases and leading to significant portion of aid assisting in reserve accretion.

We also agree that sustaining high levels of employment is an indispensable element of domestic resource mobilization. Accordingly, we need to ensure that international capital flows are channeled to sectors that have multiplier effects on employment generation. Generating employment must be a key goal of development strategies, not merely macroeconomic stability. We particularly welcome the importance accorded by the report to the need for policy space, particularly for undertaking employment oriented macroeconomic policies. In addition, policy space is required for developing

countercyclical funds and instruments as well as in the management of capital flows. Domestic resource mobilization also requires the development of financial systems that can support the financing of productive domestic industry, instead of promoting consumer credit and Government debt. In conclusion, Madame Chairperson, let me emphasize the importance of the international community fulfilling its commitments.

Thank You.



660. Statement by Acting Permanent Representative at the UN Ajai Malhotra on Agenda Item 121: Revitalization of the work of the General Assembly at the 62nd session of the UNGA.

New York, November 26, 2007.

Mr. President,

We are pleased to participate in the debate on the revitalization of the work of the General Assembly and associate ourselves with the position of the

Non-aligned Movement as expressed by the delegation of Algeria.

Mr. President,

The General Assembly is the chief deliberative, policy-making, and representative organ of the UN. Its revitalization should restore the Assembly to its position of primacy, as per the Charter. It must ensure that the GA addresses itself to the developmental problems confronting the overwhelming majority of UN Member States. A revitalized General Assembly must also set the global agenda, especially on economic and financial issues.

Over the last few years, Member States have agreed on certain measures to rationalize and streamline the work and agenda of the General Assembly and to improve its working methods and that of its main Committees. These efforts have sought to give a sharper focus to its work. They have also led to addressing the needs of the office of the President of the General Assembly, including during a period of transition. Efforts to trim down the heavy burden of papers submitted to the General Assembly have reduced

the volume of such documentation. Such procedural changes mark a useful beginning. However, the General Assembly cannot be revitalized via better coordination or streamlining of procedures alone. Central to revitalization is a focus on substantive measures aimed at restoring and enhancing the role and authority of the General Assembly to the position originally envisaged in the Charter.

Mr. President,

The General Assembly can hardly be revitalized while its role, prerogatives and authority are being undermined by encroachment of its agenda by the Security Council. The balance between the principal organs of the UN, envisaged in the Charter, must be maintained and respected. Of special concern is the encroachment by the Security Council on issues that traditionally fall within the GA's competence, such as the process of standard-setting and codification of international law. Of concern also is the holding of thematic debates in the Security Council on issues that frequently fall within the purview of the General Assembly or the Economic and Social Council. Resolution 60/286 reiterated that in addition to the Security Council making its annual report more analytical, it should submit special reports to the GA. It is also important to fulfill this provision while the Security Council considers ways to further improve the quality of its reports to the General Assembly. At the same time we should guard against an over-zealous attitude that may lead to the GA, in turn, intruding into areas that are primarily the core competence of other UN bodies.

Mr. President,

It is equally important to implement provisions of previous GA resolutions in the matter. It may be recalled that a substantive area that GA resolution 60/286 attempted to revitalize is the role of the GA in the selection of the UN Secretary-General. It sought to put in place a more inclusive and transparent procedure for the appointment of the Secretary-General, consistent with Article 97 of the Charter. Furthermore, GA resolution 59/313 requested the President of the GA to propose interactive debates on current issues on the agenda of the Assembly, in consultation with Member States. A procedure for ascertaining the views of Member States in deciding the themes for such thematic debates, would help identify issues of current interest to members and avoid duplication of discussions elsewhere in the UN.

Mr. President,

In a dynamic and changing world, it is important to focus on the more

substantive aspects of GA revitalization on an ongoing basis. In this context, we look forward to the setting up of the Open Ended Working Group, in line with GA resolution 61/292, with a view to enhancing the role, authority, effectiveness and efficiency of the General Assembly through implementation of previous resolutions and consideration of creative new proposals. In conclusion, we would like to felicitate the distinguished Permanent Representatives of Paraguay and Poland and wish them every success in their important work as co-chairs of the Open Ended Working Group.

Thank you, Mr. President.



661. Statement by Member of Parliament and Member of the Indian Delegation to the UN Adhir Ranjan Chowdhury on Agenda Item 33: Report of the Special Committee to Investigate Israeli Practices affecting the Human Rights of the Palestinian people and other Arabs of the Occupied Territories at the 62nd session of the UNGA.

New York, November 13, 2007.

Mr Chairman,

India appreciates the opportunity to discuss the 39th report of the Special Committee to Investigate Israeli Practices Affecting Human Rights of the Palestinian People and Other Arabs in the occupied territories. The report describes the “serious deterioration” of human rights in the Occupied Palestinian Territories and the Syrian Golan. It highlights the people’s despair that their rights will not be defended. While the financial embargo against the Palestine Authority is being lifted— even after wreaking great economic harm and social damage—it is of little comfort because this measure owes more to disunity in the Palestinian ranks. Continued economic hardship and deterioration of the human rights situation only engender extremism, which, in turn, generates violent action and reaction. As history shows, the cycle of violence and counter-violence is self-perpetuating, and ultimately defeats efforts to address complex issues, such as those in the Middle East, through peaceful dialogue. I am goaded to say that for centuries India is preaching that all human beings are equal under the sun and exhorting the human kind “live and let live”.

Mr. Chairman,

India unequivocally condemns all acts of terrorism, as well as any provocation and incitement to violence in the strongest terms. Equally, we have always criticized harsh and disproportionate retaliatory measures, and any measures that suggest collective punishment. We believe that the world should collectively exhort all parties to exercise utmost restraint, shun violence and continue the ongoing negotiations to evolve a peaceful solution. The contours of a solution are well-known: the goal is to achieve, in a reasonable time-frame, a sovereign, independent and viable Palestinian State, within well-defined and secure borders, living side-by-side and at peace with Israel. We are hopeful that meaningful forward movement can be achieved in the weeks ahead.

Mr. Chairman,

The Report of the Special Committee focuses on the human rights of the Palestinian and Other Arabs in the Occupied Territories. What emerges from the report is a clear statement outlining measurable failure to raise human rights standards of these people under nine essential areas, including the Right to Life.

The list of measures that affect these rights is long, and the lack of measures to address these hindrances is depressing. Thus despite the advisory opinion of the International Court of Justice, Israel continues to construct the illegal separation wall. Indeed, two hundred kilometers of the wall have been built after the Court rendered its opinion. While the wall continues to be built, creating new facts on the ground and alienating more fertile Palestinian lands, restrictions placed on daily life (including upon movement), have been increased and free access to the occupied Palestinian territories have been curtailed drastically.

There is therefore need, as the report recognizes, for the Government of Israel to stop the construction of this separation wall and to stop alienating more Palestinian lands; to stop the expansion of settlements in the Occupied Territories; to restore the freedom of movement for Palestinians, as well as to expand access to and from these territories. Recent reports of a decision to limit crossings in Gaza to one border point would only worsen access and exacerbate shortages. The UN Under-Secretary-General for Political Affairs had underscored the fact that it was "difficult to see how security concerns could justify the hardship" that such measures were causing. Similarly, the use of mass arrests, arbitrary detentions, curtailment of basic

services and disproportionate force must cease. Such steps could only encourage extremists at the costs of moderates on all sides. We also hope to see an early restoration of international assistance, and a rightful share of tax and other revenues, to the Palestinian National Authority. This is essential if it is to provide effective governance to a people who have already suffered far too long.

At the same time, the report notes that the need for all Palestinian parties to comply fully with the requirements of the road map, as elaborated by the Quartet, and to effectively prevent indiscriminate attacks against civilians. Parallel, we see the need for action by all Palestinian groups to resolve their internal differences.

Mr. Chairman,

It is not only essential for us to collectively publicize the lamentable situation of human rights in the Occupied Territories, as suggested by the report, but also to find ways of effectively addressing this growing crisis. We cannot but be concerned at the humanitarian crisis, with its potentially-devastating consequences in an already unstable region. We support giving the Special Committee a renewed mandate "in line with current realities". Such a mandate should take into account the deep-rooted frustration of those living in the occupied territories, and the need to address these pestering problems it is too late to do so.

Mr. Chairman,

We hope that in the weeks ahead, the Quartet and the regional parties will help de-escalate the situation, bringing an end to the cycle of violence and counter-violence, stop taking actions that alter the situation on the ground, and work to remove restrictions and access controls that contribute to despair and frustration in the Occupied Territories. We also hope to see early infusions of assistance and funding, so that effective governance is delivered. Lastly, we hope to see an early resolution of the divisions within Palestinian society and polity. All of these, taken together, will help create an atmosphere conducive to resuming direct negotiations with a time bound solution that brings peace to this sorely troubled land. With these words, I am concluding my statement.

Thank you, Mr. Chairman.



662. Statement by Deputy Permanent Representative at the UN Ajay Malhotra on Agenda Item 13: The role of Diamonds in fueling conflict at the 62nd session of the UNGA.

New York, November 26, 2007.

Mr. President,

Thank you for this opportunity to address the General Assembly on the agenda item "The role of diamonds in fuelling conflict".

Mr. President,

Many developing countries are vitally dependent on their natural resources for achieving their development goals. Yet, ironically, these very natural resources have served to cause and prolong conflict in several countries, as a result of the misuse of wealth generated from such resources. Diamonds, in particular, have played a significant role in this regard. In addition to financing devastating armed conflicts, the illicit trade in rough diamonds also impacts negatively on the legitimate international trade in diamonds. It is, therefore, crucial to end the trade in illicit diamonds.

The issue of natural resources fuelling conflict should not be seen solely through the narrow prism of peace and security. Instead, efforts to address this issue must be made through the perspective of an overall development agenda. Moreover, such efforts need to focus not only on the supply side, but also on all parts of the supply chain, including processing, trading, and purchase by the consumer. In this regard, the Kimberley Process is an innovative and useful mechanism. It approaches the problem not merely at the level of extraction, but also from the standpoint of processing and trading. Its certification scheme has been particularly effective in validating and regulating production of rough diamonds, as also on their trade. It fully affirms the sovereignty of States in the process, and is driven by voluntary efforts of its participants. In addition, it has an inclusive approach that extends to the entire international community, including producing, exporting and importing countries, as well as the diamond industry and civil society. For these reasons, major diamond trading and processing countries, like India, have engaged constructively and actively with this Process and support its full implementation.

Mr. President,

We welcome the decisions taken at the Plenary of the Kimberly Process held in Brussels earlier this month, which are reflected in the Brussels Communique. In particular, we support the need for strong government oversight of rough diamond trading and manufacturing, with greater internal control. We would also like to convey our appreciation to the European Commission, as Chair of the Kimberly Process during 2007, for its efforts during the year towards strengthening the implementation of the Process, as well as its initiative in the publication of diamond production and trade statistics. We welcome the readmission of the Republic of Congo, as also Liberia and Turkey joining as new participants in the Kimberley Process. We would like to congratulate Ghana for its efforts in the implementation of the Kimberley Process. We support continuing peer review visits, and would also like to thank the Bolivarian Republic of Venezuela for its invitation for a visit next year. We also look forward to the implementation of the Brussels Initiative on diamonds from Cote d'Ivoire.

Mr. President,

As Chair of the Kimberley Process for 2008, India will strengthen the Kimberley Process mechanism by building on previous traditions and conventions and will strive to implement the decisions taken during the Brussels Plenary through active association of the Kimberley Process Working Groups and Committees. India will continue to extend assistance to Kimberley Process Members to build effective internal controls on the production, processing and trade of rough diamonds. This is crucial for ensuring growth of the legitimate diamond trade and protection of the livelihood of so many people across the globe. We look forward to receiving the support and cooperation of all participants of the Kimberley Process, civil society and industry representatives. In conclusion, Mr. President, while mechanisms like the Kimberley Process play an important role in breaking the link between illicit transactions in rough diamonds and armed conflict, a lasting solution would have to involve the effective and consensual exploitation of natural resources in a way that benefits society as a whole.

Thank you.



663. Statement by Minister of State E. Ahamed on Agenda item: 17 & 18 “The Situation In The Middle East” & “Question of Palestine”.

New York, November 30, 2007.

Mr. President,

I thank you for scheduling this discussion on an important subject that requires our collective attention to an extent that almost nothing else does: the Question of Palestine, set in the larger context of the situation in the Middle East. This discussion is particularly appropriately timed, as it follows the International Day of Solidarity with the Palestinian people yesterday, and the international conference hosted at Annapolis earlier this week.

Mr. President,

India has traditionally followed with close concern the developments in this volatile region. Our delegation has perused with attention the reports of the Secretary-General on the Situation in the Middle East and on the Peaceful Settlement of the Question of Palestine. We have watched with concern as border restrictions, economic sanctions and a restrictive access regime had brought the Palestinian economy to the verge of collapse. We have viewed with alarm the continued vicious circle of attacks, reprisal and counter-attacks, the worsening humanitarian and security situation in Gaza following developments in June this year, as well as the continued violence inflicted on innocent civilians. Moreover, the continued expansion of Israeli settlements in the Occupied Territories, and the relentless construction of the separation wall threaten to create new facts on the ground and fresh grievances in an old conflict. The unresolved issues of last year's summer war in Lebanon, and the long-pending question of the occupation of the Syrian Golan add to a sense of frustration and desperation. All these issues have the potential of exacting an immediate and a long-term impact on the lives of the people, potentially contributing more fuel to an already combustible situation.

It is for this reason that India has consistently urged all concerned to eschew violence and exercise restraint at each of the all-too-frequent instances when violence has broken out, exacerbating sufferings and misery in the region. It is in the interest of the entire international community that a comprehensive and peaceful solution is found at the earliest to the problems besetting the Middle East.

Mr. President,

For India, commitment to the Palestinian cause has been a bedrock of its foreign policy since even before our independence. India's solidarity with the Palestinian people and its attitude to the Palestinian question was inspired by its own freedom struggle led by Mahatma Gandhi. In the early years of independent India, this policy was consolidated under the leadership of our first Prime Minister Pandit Jawaharlal Nehru. In November 1947, India voted against the partition of Palestine at the UN General Assembly. As early as in 1975, India recognised the PLO as the sole representative of the Palestinian people. In 1988, it recognised Palestinian statehood and in 1996 India opened its Representative Office to the State of Palestine.

I had the singular honour of having had a most memorable meeting with late President Yasser Arafat in September 2004, at Ramallah, at which I had the opportunity to express India's solidarity with the Palestinian people and support for their cause. In fact, India's empathy with the Palestinian cause and its friendship with the people of Palestine constitutes an integral and time-tested part of our foreign policy. I salute the indomitable spirit of the Palestinian people and reaffirm India's consistent, principled and unwavering support to their cause and their just struggle for a sovereign and independent State of Palestine.

Mr. President,

It is widely recognized that the Middle East conflict is essentially political in nature and therefore cannot be resolved by force. India has consistently called upon all parties in the region to fully cooperate with the efforts of the international community in this regard. We have supported the resumption of direct negotiations between the leaders of Palestine and Israel and the establishment through peaceful negotiations of a sovereign, independent and viable State of Palestine, living side by side and in the shadow of peace with the State of Israel. We have supported the Quartet Road-Map and the Arab Peace Initiative. We have also called for comprehensive peace and stability in the region and supported the early resumption of dialogue on the Israel-Lebanon and Israel-Syria tracks. These issues must equally be addressed in order to attain a comprehensive and durable peace in the region.

Mr. President,

It is against this backdrop that India welcomes the Joint Understanding

reached by the President of Palestine and the Prime Minister of Israel earlier this week at Annapolis. In particular, India welcomes the direct dialogue between the leaders of Palestine and Israel and looks forward to an early and peaceful resolution of all issues between the two states and peoples. It is also satisfying that the Middle East Peace Process will address the remaining issues on the Israel-Lebanon and Israel-Syria tracks; we believe that the Arab Peace Initiative re-launched at the Arab Summit in Riyadh, Saudi Arabia, in March this year provides a constructive framework to achieve such a comprehensive peace. We hope that post-Annapolis developments will proceed down a path that will enable a negotiated solution of the core issues, leading to the establishment of a sovereign, independent and viable State of Palestine, living side by side and in peaceful co-existence with the State of Israel.

Mr. President,

Given the complexity of this task, unprecedented determination, goodwill and capacity to offer and accept compromises and concessions are needed on all sides. It is here that the members of the international community have a collective duty to help in creating a favourable environment within which the principals can take forward the negotiations. India is ready to play a supportive role in this collective endeavour to achieve a just and comprehensive peace in the Middle East.

Thank you, Mr. President.



664. Statement by Permanent Representative at the UN Nirupam Sen on Agenda item: 77[A] & [B] – Oceans and the Law of the Sea at the 62nd session of the UNGA.

New York, December 10, 2007.

Mr. President,

I take this opportunity to thank the Secretary General for his comprehensive Reports on the issues relating to ocean affairs and the law of the sea. India attaches high importance to the effective functioning of the institutions established under the United Nations Convention on the Law of the Sea. With a coast line extending four thousand miles and with 1300 islands, we have a traditional and abiding interest in maritime and ocean affairs. Therefore, we follow closely the work of all subsidiary institutions under the Convention, namely the International Sea-bed Authority, the International Tribunal for the Law of the Sea and the Commission on the Limits of the Continental Shelf. We congratulate the Chairman of the Commission on the Limits of Continental Shelf for the efforts by the Commission under his leadership in undertaking the considerations of the submissions. We also thank him as well as the Secretariat for providing detailed information on various issues and constraints arising from the increasing workload of the Commission and the anticipated increase in the number of submissions in the coming years. In this crucial phase of Commission's work, it needs to be ensured that decisions that are taken do not compromise the task with which the Commission has been entrusted under the Convention. Accordingly, we fully support the request made by the States Parties to the Convention for the Secretary-General to take timely measures, before the twenty-first session of the Commission, to strengthen the capacity of the DOALAS that serves as the secretariat of the Commission and to ensure enhanced support and assistance to the Commission in its consideration of submissions. We also support the Commission's request for increased working time for the Commission to meet in a Plenary so as to enable it to examine the work done in the sub commissions.

As regards elections to the Commission and the International Tribunal for the Law of the Sea, we hope that the next meeting of the States Parties would be able to agree on the joint proposal of the Asian and African groups on allocation of seats in these bodies, in accordance with the principle of equitable geographical representation.

Mr. President,

The International Sea-bed Authority is currently involved in the development of a legal regime for prospecting and exploration of polymetallic sulphides and cobalt-rich crusts. We appreciate the role of the Authority in the conservation of biodiversity in the 'Area', and in ensuring environmentally sustainable development of seabed mineral resources. The Council of the Authority has finished the first reading of the Regulations on Polymetallic Sulphides. However several issues relating to the protection of the environment, including the time frame during which temporary measures could be taken by the Authority to prevent, contain and minimize the threat of serious damage to the marine environment, are still under consideration. India is totally committed to the protection and preservation of the marine environment but we would caution against attempts to impose an unduly burdensome regime as it would act as a disincentive for any further prospecting or exploration in the Area and defeat the very purpose of setting up the Authority. We also hope that issues regarding the configuration of blocks and geographic proximity of blocks in the allocated areas for exploration can be successfully resolved in the next session of the ISBA.

We continue to follow with interest the reports of groups of scientists collaborating on the Kaplan Project, which could be of help in managing nodule mining and the design of marine protected areas in the Clairion Clipperton Zone. We welcome the setting up of an Endowment Fund by the International Seabed Authority to promote and encourage the conduct of marine scientific research in the international seabed Area. The Fund will support the participation of qualified scientists and technical personnel from developing countries in marine scientific research programmes.

Mr. President,

The eighth meeting of the UN Open-Ended Informal Consultative Process on Oceans and the Law of the Sea this year discussed the issue of "Marine Genetic Resources". The symbiotic relationship between the biodiversity of the deep seabed and its ecosystem makes the entire resources of the sea-bed, living and non-living, to be a common heritage of mankind. Therefore it is necessary to identify the risks to this common heritage and agree on a substantive legal basis for the conservation and management of biodiversity and the use of biological and biogenetic resources of the deep-sea bed and subsoil. In this regard we fully align with the G77 position that, all resources of the Area, including the marine genetic resources, in areas beyond national jurisdiction are a part of the "common heritage of

mankind” regulated by the legal regime of Part XI of the Convention and “bioprospection” is essentially a marine scientific research activity that is regulated by Part XIII of the Convention.

In the area of maritime navigation, we view with serious concern the acts of terrorism, piracy and armed robbery against ships and are pleased to note the significant decrease in the number of attacks by pirates and armed robbers in the Asian region through increased national action and regional cooperation. We would also like to emphasize again the importance of the principle of freedom of navigation including the right of innocent passage as well as transit passage through straits used for international navigation. The States bordering straits may adopt laws or regulations relating to transit passage through straits, but such laws should be enforced in a manner that is non-discriminatory and fully consistent with Article 42 of the United Nations Convention on the Law of the Sea.

Mr. President,

Over fishing, destructive fishing practices and IUU fishing continue to be great threats to the conservation, management and sustainable use of biodiversity on the high seas. To combat IUU fishing it is essential to give priority to compliance and enforcement measures, including effective port State measures, listing of vessels, and developing and implementing integrated monitoring, control and surveillance packages. It is important to sustainably manage fish stocks and protect vulnerable marine ecosystems and thus to find a balance between sustainable use and conservation.

Thank you Mr. President



665. Statement by Permanent Representative at the UN Nirupam Sen at the meeting of open-ended Working Group on the Question of Equitable Representation on and Increase in the Membership of the Security Council and other related matters at the 62nd session of the UNGA.

New York, December 14, 2007.

Mr. President,

I thank you for convening this meeting. I would also like to congratulate the Ambassadors of Chile, Portugal and Bangladesh on their appointment. The seven pillars that you outlined have an important historical iconography. The first is the Bible – “Wisdom hath builded her house; she hath hewn her seven pillars”. The second is T.E. Lawrence’s “Seven Pillars of Wisdom”. In short, the seven pillars are associated with wisdom and with revolt and change, not with conservatism and standing still. And that is how we should use them in practice. Unfortunately, in terms of concrete, actual progress in shaping a reformed Security Council, there is little to show. The 17th century mathematician and scientist Pierre Fermat had discovered the principle of least action; at least Brunelleschi was able to apply it creatively in the construction of the dome of Florence Cathedral. In terms of actually achieving reform the OEWG has discovered the principle of no action – of ‘running very fast in order to stay where we are’.

We remain caught in the quagmire of the OEWG. It has certainly discussed and thrown light on themes and elements. However on actually reforming or negotiating on a structure of reform, it has remained caught in a repetitive cycle. There are some who may want to continue in this manner and have more of the same but this cannot be equated with progress. As for negotiables, these have already been identified over the last fourteen years but the OEWG has not been able to harmonize contradictory negotiables and therefore these remain buried in the quagmire.

The task now, Mr. President, is to harmonize negotiables in order to transform these into a text which can be the basis for negotiations. It is surely illogical to suggest, as is sometimes done, Adapted From that because the G4 proposal which came near to success in the summer of 2005 and was pursued for two years did not eventually work, we should stick to the OEWG which has not come even remotely close to success and has not produced reform in fourteen years. It cannot be expected to do

now what it has not been able to do for fourteen years. It is precisely because of this practical fact that we have paragraph (d) in Chapter IV Recommendations transmitting the report of the OEWG. That is why in terms of this paragraph intergovernmental negotiations have to be held outside the OEWG. We do not see any ambiguity here. As the Permanent Representative of Netherlands put it in a moderate way, while the OEWG maybe part of the process, the process is not necessarily a part of the OEWG. Similarly, if the Facilitators' reports are to be privileged, paragraph (d) would have done so. Or the previous President or you, Mr. President, would simply have begun negotiations on the four Notions of a Way Forward in the conclusions of the first Facilitators' report. Clearly, the reports Succeeded no more than the G4 proposal. More than one third of the membership were opposed to an intermediate solution and those actively supporting it did not substantially exceed this figure. Hence paragraph (d) of the Recommendations transmitting the OEWG report and the last paragraph of your letter of December 6 announcing this meeting. Therefore we have to base ourselves on the progress achieved in the Sixty First Session (which includes the Facilitators' reports) as well as the positions and proposals of the member states. Hence the recommendations are clear; there is no ambiguity.

The task therefore is an urgent search for elements or negotiables. One way is for the member states to formulate elements in groups which may in some cases be 'overarching'. A group that actually formulated elements and tabled these is the group that cosponsored Resolution L69. This comprised Small States and included those who were either members or supporters of groups like SIDS, IBSA, AU, G4 and S-5. Speaking of overarching groups, it may be useful to examine the concept of an arch. In India, we had developed this on slightly different principles long before but in Europe the concept perhaps goes back to Italy or the Romans. The principle here is to use the law of gravity against itself (not to try to break the law as some of my friends may wish to do, like Macavity the mystery cat): mutual pressure of the stones produces and keeps stable the arch. But this is applicable only to intergovernmental negotiations because they are supposed to produce the arch of reform, not to the search for elements which is equivalent to quarrying or cutting the stones: here mutual pressure may only misshape the stones.

In any such group of member states, the weight of numbers behind different opinions (that are included in the group) would shape the final elements that are produced. An essential and necessary corrective is to make such

groups transparent and open ended (in the sense of inclusive and not in the sense of leaving the question open forever, without bringing it to closure). But even after the task force has tinkered with these elements and consulted widely, they would still not have sufficient legitimacy to be a basis for negotiations without being put to the vote to clearly demonstrate initial majority support. Here let me say that at that stage we had advised a straw poll and it is precisely by not testing the Notions of a Way Forward in the first Facilitators' report through such a poll that we lost the chance of privileging it. It is this that deprived the first Facilitators' report of a privileged position.

In any case the normal democratic procedure in any democratic country is to begin with a majority opinion and then, through negotiations, integrate to the maximum extent possible the minority opinion into it. For us here also there is no other democratic way if we are to bring this matter to an optimal and acceptable closure.

The only other way that occurs to us is to begin with Africa. In this context, the Representative of China both in remarks at this meeting and at the previous debate had correctly spoken of acceptability to small states (many of whom incidentally spoke through L69) and to Africa. Africa has been the most excluded continent in decision making councils. It is therefore logical to take the AU position as the basis for negotiations. Let me here emphasize the crucial conceptual difference between something being the final structure and being the basis for negotiations. The AU position may not have majority support as a final structure but we are confident that it could have majority support as a basis for negotiations.

Since you have asked us, Mr. President, to spell out negotiables or elements, for us these remain those we have tabled in L69 and therefore permit me to read these out:

- Expansion in both permanent and non-permanent categories
- Greater representation to the developing countries
- Representation to developed and economy-in-transition countries, reflective of contemporary world realities
- Comprehensive improvement in the working methods of the Security Council, including ensuring greater access to island and small states
- Provision for a review.

You will notice that regional representation is missing from this list. This is not a slip of the tongue. It is deliberate. On June 22, 2007, there was a Summit meeting of the European Union. This Summit decided on a new EU Foreign Minister or High Representative for Foreign and Security Policy who would be backed by an EU External Service and chair EU Foreign Ministers' meetings. However, it was decided that France and UK would retain their permanent seats and there was nothing on a regional EU seat. Why did those EU states who are members of the Uniting for Consensus not ensure a regional rotating EU seat at the June 22 Summit? It is clear that even the EU, the most integrated region, is not ready for such representation. The first Facilitators' report came to the same conclusion that this is not the time for regional representation. Therefore there is no place for regional representation in the list of negotiables or elements. The representative of a member state who spoke earlier, on the one hand said that we should adhere to the Facilitators' reports and on the other hand contradicted himself by arguing in favour of regional representation. The meaning of the African Union text is also clear – they are looking for permanent permanent seats: it cannot be otherwise given the emphasis on there being no discrimination in respect of the powers and privileges of old and proposed new permanent members. Some of our friends on the other side therefore are torturing texts before we even have a text.

If I may be permitted an illustration from Chemistry, we look to your leadership Mr. President to choose the right democratic method, a choice and method that would facilitate the emergence of a crystal from the watery solution of the last fourteen years rather than one that keeps it weak and diffuse.

I thank you, Sir.



