

## **India-Pakistan Relations**

India desires peaceful, friendly and cooperative relations with Pakistan, which requires an environment free from violence and terror.

In April 2010, during the meeting between Prime Minister and then Pak PM Gilani on the margins of the SAARC Summit (Thimphu) PM spoke about India's willingness to resolve all outstanding issues through bilateral dialogue. Follow up meetings were held by the two Foreign Ministers (Islamabad, July 2010), and the two Foreign Secretaries (Thimphu, February 2011). During the latter meeting it was formally agreed to resume dialogue on all issues (i) Counterterrorism & Humanitarian issues at Home Secretary level, (ii) Economic issues at Commerce Secretary-level, (iii) Tulbul Navigation Project at Water Resources Secretary-level, (iv) Sir Creek at Surveyor General-level, (v) Siachen at Defence Secretary-level, and (vi) Peace & Security including Confidence Building Measures (CBMs), (vii) Jammu & Kashmir and (viii) Promotion of Friendly Exchanges at the level of the Foreign Secretaries. Since then several efforts were also made by the two countries to enhance people to people contacts. Cross LoC travel and trade across J&K initiated in 2005 and 2009 respectively is an important step in this direction. Further, India and Pakistan signed a visa agreement in 2012 leading to liberalization of bilateral visa regimes between the two countries.

Two rounds of the resumed dialogue have been completed; the third round began in September 2012, when the Commerce Secretaries met in Islamabad. However, Pakistan also entered election mode by around February/March 2013 and further rounds of talks could not be held. Technical level meetings continued to be scheduled and private trade promotion delegations were also exchanged.

Pak PM Nawaz Sharif's PML (N) party received a strong mandate during the elections on 11 May 2013 which allowed his party to comfortably form a new Government. In his letter of congratulation (May 12), Prime Minister expressed desire to work with the new Pakistan government "to chart a new course" in bilateral ties. PM's Special Envoy Ambassador S.K. Lambah met Nawaz Sharif on 27 May 2013 in Lahore to personally convey PM's message even before he formally assumed office; a gesture that was appreciated by the new Pakistan PM. Ambassador Shahryar Khan also visited India (4-6 July) as PM Nawaz Sharif's Special Envoy and met PM (5 July); during the meeting he also handed over a personal letter from Nawaz Sharif to PM.

In response to a request made by Pak PM Nawaz Sharif for assistance to tackle power crisis in Pakistan, the possibility of supplying gas by extending the Dadri-Bawana-Nangal pipeline from Jalandhar via Amritsar to Lahore, and establishing a 500 MW HVDC link from Amritsar to Lahore to facilitate power trading

is being explored.

Following the dastardly attack on 6 Aug 2013 in which five Indian jawans were killed along the LOC with the involvement of Pak army, India called upon Pakistan to uphold the sanctity of LOC, which is the most important Confidence Building Measure between the two countries. It was conveyed that such unprovoked incidents on LOC by the Pak Army would have consequences for our bilateral ties.

### **Resumed Dialogue**

The main outcomes of the two rounds of resumed dialogue held between March 2011 and Sept 2012, were liberalization introduced in visa regime via a new Visa Agreement (finalized in Sep 2012 and operationalised in Dec 2012), and the publicly stated commitment by Pakistan to move towards full normalization of trade with India including according MFN status.

During the Commerce Secretary-level talks September 20-21, 2012 in Islamabad in Islamabad (3<sup>rd</sup> round), a road map was established to move forward to full normalization of bilateral trade. However, as Pakistan failed to remove impediments to trade along the Wagah/Attari border (i.e. first step) the road map has remained unimplemented. While India accorded Most Favoured Nation (MFN) status to Pakistan in 1996, Pakistan is yet to accord MFN status to India, even after the approval by its cabinet in December 2012.

**Terrorism** emanating from territory under Pakistan's control remains a core concern for us. This is precisely why India has sought a firm and abiding commitment from Pakistan that it will not allow its territory and territory under its control to be used for the aiding and abetting of terrorist activity directed against India and for providing sanctuary to such terrorist groups. India has consistently stressed to its interlocutors the need for Pakistan to honor its commitment of not allowing territory under its control to be used for terrorism against India in any manner. It is critical for the security of the region and that Pakistan shows determined action to dismantle the terrorist networks, organizations and infrastructure within its own territory.

Progress in the ongoing **Mumbai terror attack case** in Pakistan, is seen as an important marker of Pakistan's commitment to combat terrorism emanating from its soil. Progress in the case has however continued to take place at a glacial pace. Trial underway in Pakistan of seven persons accused of their involvement in the

2008 Mumbai Terror attacks at the Anti Terrorism Court (**ATC**) has been subject to repeated adjournments, non-appearances of lawyers, and frequent changes of prosecution lawyers. The second visit of the Pak Judicial Commission will take place in September 2013.

A Joint '**Judicial Committee on Prisoners**' comprising retired Judges from the higher judiciary of both countries has been constituted to look at humanitarian issues related to Prisoners and Fishermen in each others' jail. The Committee visited Jails in Karachi, Rawalpindi and Lahore from 26-30 April 2013. The Committee made recommendations on better consular access, expeditious trial, provision of legal aid, humanitarian treatment, early repatriation after completion of sentences, and repatriation of fishermen along with their boats, which is being examined for implementation by the government on both sides.

**Economic ties:** Formally accounted India-Pakistan bilateral trade in 2012-13 was \$2.3 billion (Indian exports to Pakistan are \$1.84 billion and imports from Pakistan are \$ 513 million). Pakistan exports to India crossed \$500 million mark for the first time during this period. [Trade through third countries is variously estimated at US\$ 3.5-4 billion]. A strong tradition of exchange of trade delegations has also been built up over the last two years. The first meeting of the newly created "Joint Business Council", comprising 15 top level business representatives from both countries, held its first meeting in Islamabad on 29 June 2013. The JBC decided to form ten task forces to examine the priority areas of economic cooperation in agriculture, pharmaceuticals, automobiles and healthcare.

\*\*\*\*\*

**September 2013**