

*"Success and Failure of the South Asian Association for
Regional Cooperation (SAARC):
An Analysis (1985-2000)"*

GIFT

A Thesis Submitted to the University of Dhaka for the
Degree of M. Phil in the Faculty of Social Sciences

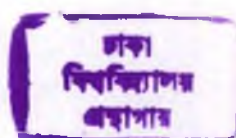
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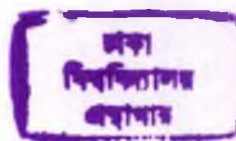
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“Dedicated to the memory of my late father who
always inspired me and kindle the light of
knowledge in my mind”

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Certified that the thesis entitled, "The Success and Failure of South Asian Association for Regional Cooperation (SAARC): An Analysis (1985-2000)" has been written by Mr. Md. Shamsuzzaman, Program Coordinator and Lecturer, Asian University of Bangladesh under my supervision.

I further certify that this thesis contains no material previously published or written by another person except by way of quotation and duly acknowledged. The thesis is best on Mr. Md. Shamsuzzaman's own research work and has not previously submitted for a degree or a Diploma in any other institution of the World.

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I confirmed that this thesis contains no material previously published or written by another person except by way of quotation and duly acknowledged. It is based on my own research work and has not previously submitted for a degree or a Diploma in any other institution of the World.

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Acknowledgement

To approach my major focus of inquiry, it seems to say few words regarding the significance of my research issue. In the 21st century, regional cooperation has taken new shaped by the realities of global economic and information infrastructures and a reinterpretation of modernization. In post-Cold war era, Cross-cultural cooperation and communication has emerged as separate discipline to cease or triumph over the challenges of regional cooperation.

In the context of South Asia, regional cooperation within the framework of SAARC is passing a crucial cross-road. Since SAARC started in 1985, the framework of cooperation is still inadequate to deal with developmental needs of this region. 'Bilateral and contentious disputed' issues also impede the SAARC process. In this circumstance, the issue of 'success and failures of SAARC' need to in-depth analysis. I would like to offer my thanks to the authority who provided me opportunity to select this topic.

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Abstract

The multi-faced socio-economic problems of South Asia are amenable to way out only through regional cooperative efforts. The SAARC, a youngest regional bloc in the globe, was established in 1985 with the hope to promote regional cooperation and mutual socio-economic development in this region. After completing eighteen years, a lot of achievements have been made through this forum in the field of non-political and cultural spheres like terrorism, mass-communication, food security, environmental protection etc. The most significant achievement of SAARC is that it has initiated a process of regional cooperation in South Asia that has been persisting over the years amid hopes and despair.

Since the emergence, SAARC has been exposed barriers and difficulties from multifarious sources – political, institutional, economic and cultural. The main impediments of the SAARC process came from the Charter (Article 10), decision-making process, selecting area of co-operations, absence of strong secretariat, mutual mistrust among the members, bilateral disputes (Kashmir issue, border, water etc.), historical legacies, nuclear rivalry/proliferation, domestic instability, lack of regional leadership role, trade imbalances, centralization of power and authority, economic complementarities etc.

The realists and neo-realists have always tried to downgrade the importance of SAARC highlighting those limitations. However, still now inter and intra-nations disputes, security and nuclear proliferation issues received scant appreciation in the region with this forum.

An objective diagnosis of achievements and limitations of SAARC process reveal mixed outcomes for the region. While critics argue that SAARC is a

'white elephant' or a failed organization, the others emphasize the contribution of this process for the regional peace and development. It must be argued that a regional organization cannot develop in isolation as an island. It is very much part of the political, economic and social processes of the region. Hence the performance of SAARC as a regional organization must be judged in a comparative and critical perspective. The future of SAARC is closely enmeshed with the socio-economic aspect of this region.

It is quite impossible to seek the solution of all the disputes and problems of the region in a short period of time. It is also not good to be unenthusiastic about the success and achievement made through the SAARC.

However, South Asian Association for Regional Cooperation needs re-think its framework. An intensive political will and inter-state dialogue is needed to strength SAARC process. Bilateral disputes and contentious issues have to be resolving through 'multilateral approach'. For strengthening SAARC mechanism, It is needed to increase 'inter-governmental,' 'inter-institutional' and 'inter-people' understanding among the member countries of SAARC. There needs to facilitate regional confidence building measures and 'inter-state dialogue' to address long-standing disputes of member states.

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List Of Abbreviations

SAARC: South Asian Association for Regional Cooperation

IPE: International Political Economy

SAPTA: SAARC Preferential Trading Arrangement

SAFTA: South Asian Free Trade Area

SCCI: The SAARC Chamber of Commerce and Industry

SAFA: The South Asian Federation of Accountants

SAARCH: The South Asian Association for Regional Cooperation of Architects

CEC: Committee on Economic Cooperation

SAFTA: South Asian Free Trade Area

RAADT: Regional Agreement on the Avoidance of Double Taxation

NRGFEI: Network of Researchers on Global, Financial and Economic Issues

TCWD: Technical Committee on Women in Development

UNDFW: United Nations Development Fund for Women

RCCCTWCP: Regional Convention on Combating the Crime of Trafficking in Women and Children for Prostitution

SAPAP: South Asian Poverty Alleviation Program

DRW: Dhaka Resolution on Women

ISACPA: Independent South Asian Commission on Poverty Alleviation

SCFSS : The SAARC Chairs, Fellowships and Scholarships Scheme

APPI: Agreement on the Promotion and Protection of Investments

SAC: SAARC Arbitration Council

AVDT: Agreement on the Avoidance of Double Taxation

CAP: Customs Action Plan

SRCST: SAARC Regional Convention on Suppression of Terrorism

SAFD: South Asian Food Reserve

CNDPS: Convention on Narcotic Drugs and Psychotropic Substances

EC: European Community

ASEAN: Association of South East Asian Nations

IGG: Inter Governmental Group

INC: Inter-Governmental Negotiating Committee

ASSP: Association of SAARC Speakers and Parliamentarians"

SFRP: SAARC Fund for Regional Projects

WTO: World Trade Organization

UNCED: United Nations Conference on Environment and Development

GEF: Global Environment Facility

GCEDC: Girl Children in Especially Difficult Circumstances

ICPD: International Conference on Population and Development

SCCI: SAARC Chamber of Commerce and Industry

SACC: South Asian Cultural Center

IREM: Integrated Regional Environment Management

STOMD: SAARC Terrorist Offences Monitoring Desk

SDOMD: SAARC Drug Offences Monitoring Desk

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Chapter One

Introduction

In the postcolonial phase, regional cooperation turns into an order of the day for self-contained and self-reliant socio-economic development of the several regions of the World. A number of initiatives and arrangement have been made to form institutional framework of regional cooperation. South Asia remained beyond at all mutual and co-operative framework and mechanism until the formation of the South Asian Association for Regional Co-operation (SAARC). In the era of post-Cold period, the framework of regional cooperation is going through many significant changes and adjustment. Changes are multiple and diversified and in many ways have need of alternative thinking on approach to regional cooperation.

South Asia is a well-defined geographical region with a shared social, cultural and civilization past; but its postcolonial history, mired in inter-state conflicts, has deeply divided the region.¹ There is hardly any region of the world, which is without some sort of regional cooperation arrangements. The vital of economies also demand regional cooperation and integration for the augmentation of regional prosperity. Like most other regions of the world, South Asia within the structure and framework of South Asian Association for Regional Cooperation stands at the turning point in the early of new millennium. According to the Charter, from the beginning, elaborate institutional mechanism has been set up, programme and projects have been formulated encompassing not only socio-economic, cultural and technical aspects but also areas that apparently fall in the domain of security which the South Asian leaders vowed not to tread.² The concrete achievements of SAARC, in terms of fostering either regional cooperation or friendly relations among the member-states, were insignificant. A regional politico-security environment full of suspicion and mistrust, and a host of

¹ Navnita Chadha Behera, 'Regionalism from Below: The Domain of Civil Society', in Shaheen Afroze (2002) *Regional Cooperation in South Asia: New Dimensions and Perspectives* Dhaka, Bangladesh Institute of International and Strategic studies, p. 449

² See, SAARC Secretariat, *South Asian Association for Regional Cooperation: A Profile*, Kathmandu, 1998

bilateral conflicts among the member-states have constantly overshadowed the process of regional cooperation within the framework of SAARC.³

However, in the age of globalization and flow of information, SAARC has achieved notable progress in the area of non-political and cultural sphere of this region. South Asian scholar appropriately remarked "the combined positive impact on SAARC of domestic economic and political liberalization in South Asia and the global trend of expanding regionalism is evident"⁴ The signing of SAARC Preferential Trading Arrangement (SAPTA) in 1993 and the program of South Asian Free Trade Area (SAFTA) is the significant success of the area of 'institutionalization of the framework of economic cooperation efforts' in South Asia.

SAARC was established with certain hindrance and limitations that were basically self-obligatory. South Asia was always under pressure from security perception and security vulnerability, but from the very beginning, SAARC was silent and ignored bilateral disputes and security issues. SAARC is an organization with strong ambitions, but restricted powers. From the start the scope of SAARC was reduced by the rule of unanimity, by the slowness and consultative nature of the procedures, by the decision to exclude areas of disagreement, and finally by the absence from the beginning of a free trade treaty or a preferential agreement.

Actually, there is hardly any region of the world, which is without some sort of regional cooperation arrangements. The vital of economies also demand regional cooperation and integration for the augmentation of regional prosperity. Actually, the regional voice has far better chances of being heard than has the lone voice of a nation.

In general, the exercises in regional cooperation in the Third World have had close links with strategic factors. Time and again, these links remain dormant

³ A. K.M. Abdus Sabur, '*Persistence of Confrontation and Conflict in South Asia: Underlying Reasons, Dynamics and Consequences*', Paper presented at the Regional Seminar on "*Security of South Asia and Future of the SAARC*" organized by the Bangladesh Institute of International and Strategic Studies (BISS), on 24 June 2003

even in the case of cooperation exercises of the developed region such as Europe.

1.2 Chapterization

In formulating a suitable composition for the thesis the researcher has pursued, as far as possible, rules and conventions given by the University. In addition the researches followed several internationally much-admired universities.

Chapter one is the introductory chapter. It is a statement of the significance of the thesis. It also provides limitation and cauterization of the thesis.

Chapter Two provides a theoretical framework for the thesis. This chapter pointed out some theoretical connotation, like; regionalism, functionalism, neo-functionalism, regionalism in South Asia and so on.

Chapter three provides the methodological considerations for the entire thesis.

Chapter four analyses the historical perspective of South Asia and South Asian Association for Regional Cooperation (SAARC). This chapter also provides a historical conception of SAARC.

Chapter five presents a objective diagnosis of achievements and success of SAARC process in both tangible and intangible point of view. This chapter also provides summit wise outcomes with chronological and sequential order.

Chapter six provides a profile that to what extent SAARC became unsuccessful and to identify that area.

Chapter seven draws a diagnosis of SAARC's impediments and constraints. It presents several identified areas challenges that are closely related with the SAARC process.

⁴ S. D. Muni, "SAARC at Crossroad", *Himal South Asia*, May-June 1997:26

Chapter eight looks forward the future prospects of SAARC.

Chapter nine draws a conclusion with a tentative recommendation for future directions.

1.3 Limitations

It may indeed prove to be far the most difficult and not the last important task for human reason rationally to comprehend its own limitations.⁵ There were several constraints on the way to carry out the study.

The subject matter taken up by the thesis smacks a very wide range, both in terms of periods of time and its adjoining areas. In fact the topic is selected to address to the challenges and constraint of the South Asian Association for Regional Cooperation (SAARC) and to identify the future prospects for promoting regional cooperation in South Asian Region. While focusing directly on challenges and future prospects of SAARC it has been identified as transitional period of institutionalization of regional cooperation during 1985-2000 in entire world. In this situation, one must need to set down a methodological guideline, recommending a list of important and relevant issue expected to be covered with the thesis. Keeping this view in mind the researcher has inadequate performance. Nevertheless, maximum endeavor has been deployed to support the requirement at per of the topic but some more intensive investigations were necessary to reconcile the point.

Although there exists shared cultural identity, common past experiences, common eco-system, common heritage in South Asia but still now this region is at the first stage of regional political and economic cooperation. SAARC emerged in 1985 with the hope of reducing chronic poverty, promoting socio-economic progress, enhancing economic cooperation and maintaining peace and stability of this region. Although an institutional framework has been set up, program and projects formulated with in the SAARC framework but security and bilateral

⁵ The 1974 Noble Prize Winner Friedrich A. Hayek in his famous book "Price and Production" Commented, mentioned by Edwin J. Feulner Jr. "Freedom is Prophet", in The Daily Star, 18 May, 1999, p.5

issues were deeply ignored. Now, considering rapidly changing global society, it is the time to rethink all endeavors and efforts for regional cooperation and development. Considering the crucial reality of South Asia, a vigorous systematic study is essential for recommending the remedy measures and the way out.

The inquisition of finding the issue closely related with the challenges and prospects of SAARC in this region, this research confined itself with socio-economic, cultural, political and security in regional perspective in partial form. Since the topic is a vast one, it is possible to make in-depth study on various individual aspect of the topic. This research has a preference to identify achievements and constraints of SAARC process and tentative recommendations for future development.

The researcher has attempted to build up a theoretical framework that has some limitations and inappropriateness. However, the researcher has gone through exhaustive and intensive study to identify the problem of regional cooperation and made a way to form common position in various bilateral and multilateral issues in South Asian Perspective.

Chapter Two

Theoretical Framework

The conceptual foundation of the establishment of SAARC relates to some theoretical underpinnings namely regionalism, functionalism and neo-functionalism. In fact, to understand the whole process in theoretical terms it is necessary to analyze these concepts briefly.

2.1 Concept of Regionalism

REGIONALISM is a Cold War trend, a most significant development in the global affairs after the Second World War. It is based on the political concept of geographically proximate nation states coming together with the objective of forging cooperation in jointly identified areas for their mutual benefits.¹ The majority of the regional blocks then were at first formed to afford political interest by maintaining the global relations mainly to ward off the threat originating from the two super powers. However, as time passed by, these blocks have concurrently taken interest towards economic front and achieved outstanding progress in the field. For examples EEC, NAFTA, SAPTA, APEC SAARC, ASEAN etc. is now thinking on the subject of the necessity for a larger market for their industrial unit manufactures.

Regionalism emerged in various regions to maximize trade benefits, or as new form of collaboration to stimulate growth and promote investment.² The trend of forming regional collaboration by forging coalition based on the general benefit has

¹ Mohammad Humayun Kabir, "Sub-Regional cooperation in South Asia: Interfacing Regionalism and Globalization", in Shaheen Afroze(edT(2002) "Regional Cooperation in South Asia: New Dimensions and Perspectives" Bangladesh Institute of International and Strategic Studies, Dhaka, pp. 281

² Ataur Rahman, "Globalization, Regionalism and Governance: A Comparative Perspectives of South and Southeast Asia." Lecture Series 2, Japan Study Circle, University of Dhaka, September 1998, pp.7

completely dominated the global relationships. It has been also accepted as a part of development strategy by different countries of the world.³

After the Cold War, it has been a sea transformation in the replica of forming regional collaborations. Samuel P Huntington in his book, 'Clash of Civilization and Remaking of the World Order' mentions that global politics is being reconfigured along cultural lines and peoples and countries with similar cultures are coming together. Peoples and countries with different culture are coming apart. Alignments defined by ideology, superpower relations and economic factors are giving way to alignments defined by culture and civilization. He added that political boundaries increasingly are redrawn to coincide with cultural ones, ethnic, religious, and civilization.⁴

South Asia cannot be an exception of this trend. They also followed the outfit by framing the SAARC essentially to sustain and set up a sense of all types of collaboration in the area. Slightly one is able to assume that arrangement of SAARC is a Cold War trend, as thoughts of having regional collaboration were take root whereas the Cold War was at a standstill leading the global dealings. It was anticipated that SAARC would mark of a new era in the regional cooperation among the intimidating countries of the area.

Regionalism leads to intra-regional economic development, promote confidence-building measures and ensure peace and conflict management.⁵In the era of globalization, it is true that, regional cooperation will be successful where there is a less difference in cultural, ethnic and linguistic components in the binding countries. The connoisseurs of International Political Economy states four significant aspects of regionalism; firstly the economic cooperation is only viable and workable when the countries of the said block have genuine interest on the block, secondly the variance in the size of the economy of the countries need not

³ Munim Kumar Barai, 'Regionalism in International Business: South Asian Perspectives', *The Journal of International Relations, University of Dhaka*, Vol. 4, # 1-2, July-June 1996-97 pp.52

⁴ Samuel P Huntington, *The Clash of Civilizations* ' *Journal of foreign Affairs* Vo. 72, No.3 Summer 1993

require to have vast difference and thirdly contiguous border is required, fourthly common political and cultural structure are the key points for the successful launching of any types of regionalism.⁶

Any meaningful co-operation is not possible to develop without strengthening regionalism. At this juncture, it can be said when the idea of regionalism is superseded by the globalization, the formation of regional cooperation is only possible when there are likely components between the countries that can bind them together, otherwise there seems to be less chances of their survival in the long run.

2.2 Concept of Functionalism

Any reference to regional integration or cooperation must relate to the concept of functionalism. It is a powerful concept in political science and international relations developed by David Mitrany to create institutions for transnational cooperation. The work of integrative theorists, notably Karl Deutsch and David Mitrany, have generally viewed integration as a dynamic process leading eventually to a condition known as "political community". This process is based on consensual decision making, with the rationale for this assertion being that as international cooperation by necessity is decentralized between geographically or culturally distinctive units, these units lack effective institutions that can provide them with adequate information on the activities or motivations of the other participants. As a result, the ability of nation-states to cooperate in a manner that encourages integration is hampered and instead seeks to focus on areas of what have been identified as "low politics". Low politics are defined as falling in the range of issues such as non-military cooperation⁷.

⁵ Mohammad Humayun Kabir, "Sub-Regional cooperation in South Asia: Interfacing Regionalism and Globalization", op. cit. pp. 283

⁶ Vijaya Chalise, "Regional Cooperation" The Himalayan Times, 31 December 2002, see www.nepalresearch.org

⁷ Dougherty, James E., Robert L. Pfaltzgraff, Jr. *Contending Theories of international relations: A Comprehensive Survey* 4th Ed. (New York: Addison Wesley Longman Inc 1996) p. 419.

In fact, integration has been an important goal of nation states at national, regional and global levels. Contrary to federalism Mitrany argued that functionalism prescribed that integration that was "pragmatic, technocratic and flexible" and above all apolitical. The goal of functionalism was *not* to create a new "super state" above the member states, but instead to blur the lines dividing public and private, national and international, political and non-political. "Peace will not be secured if we organize the world by what divides it." (Mitrany, 1996:111) This was to be achieved through the creation of a "web of international activities" that would overlay national and political divisions. Links were to be developed along pragmatic lines, at the logical level for each functional goal, regardless of national or political boundaries. Examples: Trains-continental, post-global, shipping-intercontinental etc. Creation of a web of functionally integrated services occurring at the naturally appropriate level "the function determines the extent and executive organ suitable for its proper activity"(Mitrany, 1996: 107). These interlocking institutions will create mutual dependencies and make war unfeasible regardless of ideological differences that divide states. Citizens will approve because of general improvement of services without the need to adopt a new political order. Thus a new form of organization could emerge to contribute to peace, development and security for a nation or a region. Many argue that the creation of European Steel and Coal Community as forerunner of European Economic Community, currently known as European Union was based on functionalism. Likewise, the establishment of SAARC is a reflection of the relevance of this theory of integration.

However, functionalism has also limitations in explaining the emergence and sustenance of regional integration as argued by its critics. It should be pointed out that the functionalist approach looks at the regional co-operation process as a transitional stage of regional integration, rather than an end in itself. The approach appears to be an oversimplification in the sense that it ignores the primacy of politics in the co-operation process among the developing countries. It has been observed that even if co-operation starts in a few discrete and non-controversial

areas, it soon gets over-politicised negating the validity of a gradual politicisation process.

As opposed to functionalism 'communication theory' takes a bottom-up approach in terms of development of a sense of community, defined in a much broader sense than the economic focus of functionalism, to include social perceptions, values and sentiments and articulation of these values, and a sense of community in formal and structured forms. According to this view, co-operation could be measured empirically in terms of frequency and nature of border-crossing communications like mail flows, people-to-people contact, electronic media, student travels, tourism and intra-regional trade. This led to the modification of this theory by some thinkers known as neo-functionalism.

2.3 Concept of Neo-functionalism:

As mentioned earlier, functionalism derived from the work of David Mitrany was moved forwards by the development of neo-functionalism and much of the early work on neofunctionalism was undertaken in the late 1950s and the 1960s during studies on the emerging EEC. The advocates of neofunctionalism were Ernst Haas, Leon Lindberg and Joseph Nye.

Ernst Haas, one of the leading thinkers in the field of neofunctionalism, viewed integration as a developing and expanding process involving the twin strands of bargaining and compromise - he was of the view that integration was like no other form of politics for the neofunctionalists integrative cooperation based on successful cooperation in areas of low politics - that is areas of non-contentious political activity - could lead to cooperation in other fields of policy including areas of high politics. Ernst Haas spoke of a process of spillover by which he meant that a positive experience of integrative cooperation could lead to yet more integrative cooperation - thereby creating a positive cycle of integration. Haas recognised, however, that spillover - a positive cycle of integration - would be neither automatic nor inevitable and believed that much would depend upon the choices made and

the choices taken by governments and associated actors within the integrative process.

Neofunctionalism differs from functionalism in three specific ways:

1. neofunctionalism the role of politics and of governments are accounted for - neofunctionalism accepts the political (and economic) nature of integration and the role of national elites within the process.
2. neofunctionalism is more detailed than its predecessor and rests upon a deeper academic and descriptive basis than functionalism.
3. neofunctionalism is a regional integration theory rather than a global integrative theory - it is a partial rather than a grand theory - and it focuses upon integration between a group of identifiable nation-states in a reasonably defined region of the world.

Integration is a complex concept to model and various attempts have been adopted but of all the models generated none represent a universal, partial or grand theory with which we can explain and predict the future course of regional integration. Neo-functionalism is considered a major advancement in explaining the process of regional or national integration. The development SAARC process has relevance with this concept though it may not fully explain everything.

2.4 Preconditions for Regional Co-operation

Regional cooperation is a device to condense the susceptibility of individual economies and improve their competitiveness in a milieu of ever-increasing contemporary economic liberalization. The sharing of benefits of the regional cooperation is indispensable to attain and maintain a minimum adequate level of economic and social advancement. There are some common vital factors that facilitate the regional cooperation in all levels. These are as follows;

- Political obligation and commitment of all the sharing nations;
- Economic similarities among the interrelated nations;

- Stable political and security surroundings at the national and regional level;
- Stable social cohesion and solidity within the society;
- Geographical propinquity;
- Ethno-cultural harmonization;
- Common historical ties;
- Creative thinking of leadership and guidance;
- Common positions on issues of shared interests at the international forum.
- Enterprising private sector;
- Realistically developed public sector-private sector corporation and joint venture initiatives; etc.⁸

A number of the preconditions of the regional cooperation are not exactly available in South Asian countries. Regionalism in South Asia is not a new phenomenon. Despite SAARC's achievements in certain institutionalization and pragmatic aspects, regionalism in South Asia remains shallow.⁹ But, unsurprisingly, internal differences over the modalities of promoting SAARC do exist in the region.

⁸ See for details Mohammad Humayun Kabir, "Sub-Regional cooperation in South Asia: Interfacing Regionalism and Globalization", *op. cit.* pp. 290

⁹ For details see Mahendra P. Lama, "SAARC: Shallow Regionalism, Political Abstinance and Economic Advicacy." *BISS Journal*, Vol-21, # 1, January 2000, pp. 1-35

Chapter Three

Methodological Considerations

The present thesis, *"The Success and Failure of the South Asian Association for Regional Co-operation: An Analysis,"* the observational, historical and analytical; methodology and primary, secondary and online resources have been exercised.

3.1 Primary Sources: official documents, statements, interviews with key person

Primary data were collected through analytical, observational and empirical methods. The primary data were also collected from official documents, policy statements and various reports. In this research works the researcher has engaged direct personal interview and discussion that is well thought-out a very dependable method of data collection. Surely this method provides the researcher a chance to have straight oral dealings with the respondents.

To complete the interviews the researcher had to visit different institutions and organizations and dealt with various specialized key people on this issue.

3.2 Secondary Sources: books, journals, dailies, Internet browsing and other published materials

At the onset of the study, a rigorous desk research was carried out. Appropriate literature, various research works, and other secondary data were studied intensively and it became helpful to the present researcher to build up the design, construction of the theoretical framework and selection of the topic. In this perspective, the researcher visited dissimilar libraries of Bangladesh. The visited libraries are: Dhaka University Central Library, The Public Library, Dhaka, BISS Library, BIDS library, The British Council Library (Dhaka), Jatiya Sangsad Library, World Bank Library (Dhaka). In these libraries the researcher went through relevant books, journals, periodicals, papers, published and unpublished materials.

To conduct this research the researcher has studied the Daily Newspaper and Weekly Magazine of India, Bangladesh, Pakistan, Nepal and Sri Lanka and analyzes the views of the specialized person. The researcher had to visited various website through Internet browsing and collect secondary information from the web page.

Chapter Four

Historical Background of South Asian Association for Regional cooperation (SAARC)

Unlike other regional blocs, South Asia has a very recent history in terms of nation states. Five out of seven nations of the region were colonized and became independent within the last five decades, the exceptions being Nepal and Bhutan. All seven are developing nations in different stages of progress. With a large number of people living below the poverty line, low literacy rate and high infant mortality rate, among other things, the governments in the region have to bury their variation to overcome what is undoubtedly a fearsome collective challenge.

South Asia is gripped by terrorism, insurgency and other turbulence. Six of the seven SAARC countries — with the exception of Maldives — have been facing terrorism problems of one kind or the other. However, unlike during the Cold War, the international political environment is conducive to easing tension among member states.

Poverty and over population are the common features of South Asian countries. Furthermore, there exists large number of mutual mistrust, suspicion and disharmony¹ among these nations. Enlarging security expenditure in the name of security and nuclearization of India–Pakistan is the threat for this region. For this reason, there were the need for teamwork, assistance, cooperation and good will in the region. The formation of the South Asian Association for Regional Cooperation (SAARC) was the outcome of these efforts.

The South Asian Association for Regional Cooperation (SAARC) consists of the seven nations of South Asia, i.e. India, Pakistan, Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka. SAARC is an alliance based on the awareness with the purpose of in a gradually more mutually dependent globe, the challenges of liberty,

¹ Muhammad Ruhul Amin, "SAARC: Challenges and Opportunities", in *The Journal of Social Science Review*, University of Dhaka, Vol-12, # 2, December 1995

peace, economic prosperity and social fairness are the greatest achieved in the South Asian countries by means of promotion of reciprocal understanding, significant collaboration and excellent neighbourly dealings along with the member countries that are hop with ties of the past and culture. Unlike human beings, institutions are born to continue like perhaps the way Lord Alfred Tennyson once said: "for men may come and men may go but I go on for ever."

SAARC is one of the more recent efforts to arrange a regional bloc amongst developing countries. The government of Bangladesh in November 1980 (SAARC, 1988) first proposed the idea of South Asian Regional Cooperation (SARC). After the process of long discussions, the Foreign Secretaries of the seven states assembled for the first time in Colombo in April 1981. A few months later, through a meeting of the Committee identified five broad areas for regional cooperation. The seven Foreign Ministers of South Asia first met in New Delhi in August 1983. This first meeting adopted the Declaration on South Asian Regional Cooperation (SARC) and officially introduced the Integrated Programme of Action (IPA) to begin with in five settled areas of mutual understanding that is to say, Agriculture; Rural Development; Telecommunications; Meteorology, and Health and Population Activities. ²

Formally SAARC was born in 1985 as an association of nations whose aspirations were to promote the well-being of the populations of South Asia and improve their standard of living; to speed up economic growth, social progress and cultural development; to reinforce links between the countries of this area; and, lastly, to promote mutual collaboration and assistance in the economic, social, cultural technical and scientific fields.³ At the first SAARC Summit held in Dhaka at 7-8 December 1985, the Heads of State accepted the Charter⁴ formally establishing the South Asian Association for Regional Cooperation (SAARC).

² See <http://www.saarc-sec.org>, also see appendix-1(Charter of the SAARC)

³ See http://europa.eu.int/comm/external_relations/saarc/intro/

⁴ See for details appendix-1 (Charter of the SAARC)

Chapter Five

Achievements of the SAARC

"...recalled their commitment to the promotion of mutual trust and understanding and , recognizing that the aims of promoting peace, stability and amity and accelerated socio-economic cooperation may best be achieved by fostering good and neighbourly relations, relieving tensions and building confidence, agreed that a process of informal political consultations would prove useful in this regard."

Summit Declaration (Male', 1997)

SAARC has completed the eighteenth year of its establishment and has already witnessed eleven summits with declarations and programmes of action of far reaching significance for millions and millions of people in this region. Although the assessment of the achievements and limitations of SAARC always has philosophical connotations among the scholars and policy makers, there is no denying of the fact that this organization has achieved notable successes in a number of non-political and cultural spheres like terrorism, mass-communication, food security, environmental protection etc. The most significant achievement of SAARC is that it has initiated a process of regional cooperation in South Asia that has been persisting over the years amid hopes and despair. While the realists may try to negate many achievements of SAARC only to subdue the process as detrimental to the pre-eminence of the so-called bilateralism and unilateralism, the achievements of SAARC cannot be underestimated. In this context the major achievements of SAARC both in tangible and intangible terms can be explained as follows.

- ◆ problem solving multilateral framework (first in South Asia);
- ◆ institution for regional cooperation;
- ◆ first step to regional integration;

- ◆ economic development;
- ◆ mutual trust and understanding;
- ◆ regional peace and security;
- ◆ confidence building measures;
- ◆ cultural exchange/cooperation;
- ◆ food security program;
- ◆ combating terrorism;
- ◆ regional economic cooperation;
- ◆ trade liberalization (SAFTA);
- ◆ expansion of areas of cooperation;
- ◆ poverty alleviation program;
- ◆ etc (see declarations of SAARC summits)¹

5.1 Economic Cooperation

Economic cooperation is a vital and central issue of development. South Asian region is a poverty-prone area of the World and its economic features are gloomy and dark. (see for details the table 1 and 2). Accelerated and equitable economic growth in South Asia will also transform the lives of millions into standards of living in one of the world's poorest regions. Economic growth will help to limit population growth, decline social unrest, enhance political stability, and reduce international tensions in the region. The South Asian Association of Regional Cooperation was created with the hope of accelerating economic growth and put it into the Charter objectives. The

¹ www.saarc-sec.org, for details see appendix 2-12 (SAARC Summit Declarations)

cooperation in core economic areas among SAARC Member Countries was initiated following the Study on Trade, Manufactures and Services (TMS), completed in June 1991. Since 2000, SAARC commenced several measures for promoting economic cooperation among the member states.

Table 1: Economic Indicators of the South Asian Countries

	Bangladesh	Bhutan	India	Nepal	Pakistan	Sri Lanka
GDP US \$ Market price	45.8 b	440 m	459.8 b	4.9 b	59.9 b	NA
GDP growth annual %	4.3	7.0	6.2	3.4	3.9	NA
GNP US \$ (Atlas)	47.0 b	399.2 m	442.2 b	5.1 b	64.0 b	15.7 b
GNP \$ per cap (Atlas)	370.0	510.0	450.0	220.0	470.0	820.0
Agriculture % GDP	21.1	37.7	28.5	41.3	25.9	NA
Industry % GDP	26.8	36.7	25.1	21.6	25.4	NA
Services % GDP	52.1	25.6	46.4	37.1	48.7	NA
Exports % GDP	13.6	33.0	10.7	21.7	14.9	NA
Imports % GDP	19.4	42.0	14.2	30.3	19.2	NA
Dom Invst % GDP	20.3	48.5	24.0	19.2	14.9	NA

* All figures are for year 1999

Data source: The World Bank Group²

² See for details www.the-south-asia.com/Data-South_asia.htm

Table 2: Economic Indicators for South Asia

	1997	2000	2001
<u>GNI, Atlas method (current US\$)</u>	538.0 billion	594.1 billion	617.7 billion
<u>GNI per capita, Atlas method (current US\$)</u>	420.0	440.0	450.0
<u>GDP (current \$)</u>	542.8 billion	596.0 billion	613.8 billion
<u>GDP growth (annual) %</u>	4.2	4.2	4.9
<u>Value added in agriculture (% of GDP)</u>	27.4	25.1	24.9
<u>Value added in industry (% of GDP)</u>	26.5	26.2	25.9
<u>Value added in services (% of GDP)</u>	46.1	48.7	49.2
<u>Exports of goods and services (% of GDP)</u>	12.7	15.2	15.2
<u>Imports of goods and services (% of GDP)</u>	16.7	18.1	17.5
<u>Gross capital formation (% of GDP)</u>	22.2	22.1	21.6
<u>Current revenue, excluding grants (% of GDP)</u>	12.9	13.5	13.5
<u>Overall budget balance, including grants (% of GDP)</u>	-5.3	-5.4	-4.9

* Average indicators for South Asian Countries

Source: World Development Indicators Database, April 2003

5.1.1 Committee on Economic Cooperation

The Council of Ministers at their Ninth Session in Male' on July 1991, legitimated the study and established the Committee on Economic Cooperation (CEC) consist of Commerce/Trade Secretaries of the SAARC Member States. The CEC was form to

prepare and direct the implementation of specific core measures, policies and programmes within the SAARC framework to strengthen and enhance intra-regional cooperation in the field of trade and economic relations among the members. The creation of the CEC was the formal institutionalized framework of regional economic cooperation.³ It is now an integral and vital component of the SAARC process. It has emerged as the essential group within SAARC framework addressing economic and trade-related issues.

Until now, the CEC has arranged ten meetings and taken several decisions for reducing trade barriers and improving economic growth of this region. It has provided suggestions and guidance, identifying new areas of cooperation as well as considering reports of specially constituted groups. Its specific functions include analyzing inter-regional and global developments which impact on intra-regional cooperation, evolving joint strategies, common approaches at international forums, recommending policies and measures for promoting intra-regional trade, joint ventures, industrial complementation and investments.⁴ The CEC covers an extensive range of area from standards and measurement to customs cooperation and the harmonization of documents and procedures, preferential trading arrangements, rules of origin, and the transition from the SAARC Preferential Trading Arrangement (SAPTA) to the South Asian Free Trade Area (SAFTA).⁵

5.1.2 Trade Liberalization and Trade Facilitation Measures

In the era of globalization, removing trade barriers and sharing the benefits of globalization is closely inter-linked. South Asian countries used to maintain high tariffs

³ Declarations of SAARC Summits (1985-1995), South Asian Association for Regional Cooperation, Kathmandu, Nepal, march 1997 pp. 73

⁴ Ibid, pp.89

⁵ See for Siegfried Herzog (2002), 'Regional Economic Cooperation: Achievement and Constraints' in Shaheen Afroze (2002)(ed) "Regional Cooperation in South Asia: New Dimensions and Perspectives" Dhaka, Bangladesh Institute of International Strategic Studies, pp 57-67

and many quantitative restrictions and barriers on export and import trade. There are also existing imbalance trades in between South Asian countries (see table-3).

Table-3: Trade in South Asian Countries⁶

	Bangladesh	Bhutan	India	Nepal	Pakistan	Sri Lanka
Trade % of GDP	7.0	17.7	3.9	6.5	8.2	17.9
High-tech exports % of manf exp	0.1	—	NA	—	0.1	NA
Foreign Inv US \$ WDI	308 m		2.6 b	12 m	500 m	193 m
Present Debt US \$	10.1 b		84.3 b	1.5 b	26.2 b	6.3 b
Total debt service US\$	682.7 m		12.1 b	88.3 m	2.7 b	452.1 m
DOD US \$	149.9 m		4.3 b	30.9 m	2.2 b	432.7 m
Aid per capita US \$	10.0		1.6	17.7	8.0	26.1

All figures are for year 1998

Source: The World Bank Group, 1999

The trade and financial situation are declining day by day in South Asia. Trade in goods as a share of GDP is decreasing compare with 2000(24.6%) to 2001(23.4%) and decreasing the exports in goods and services in compare with 1997(21.3%) to 2001(12.7%). But in other hand, per capita aid is increasing (see table 4 for details). South Asian Association for Regional Cooperation has taken several measures for reducing trade barriers and trade imbalance in order to harmonize and promote intra-SAARC countries trade. The SAARC has also taken, for the first time in South Asia, the institutionalization framework for regional economic cooperation.

⁶ See for details www.the-south-asia.com/Data-South_asia.htm

Table 4: Trade and Financial indicators of South Asia

	1997	2000	2001
Trade in goods as a share of GDP(%)	22.8	24.6	23.4
High-technology exports (% of manufactured exports)	4.7
Foreign direct investment, net inflows in reporting country (current US\$)	4.9 billion	3.1 billion	4.1 billion
Total debt service (% of exports of goods and services)	21.3	14.7	12.7
Short-term debt outstanding (current US\$)	8.2 billion	6.0 billion	5.1 billion
Aid per capita (current US\$)	3.4	3.1	4.3

* Average Indicators from South Asia

Source: World Development Indicators Database, April 2003

5.1.3 SAARC Preferential Trading Arrangement

Trade cooperation, one of the core areas of economic cooperation, is central to the success of any regional association.⁷ SAPTA is the outcome of the target of an integrated South Asian economy in a step – by- step manner. Some members of the SAARC were opposed to early inclusion of these core areas, such as trade or industry or investment while others tended to support gradual induction under the agenda of SAARC cooperation.⁸ The Tenth Summit in Colombo approved the formulation on an institutional framework for trade liberalization in SAARC through SAPTA. In 1993, the

⁷ Sabbir Ahmed, SAARC Preferential Trading Arrangement: A Preliminary Analysis, The BISS Journal, Vol. 16, No. 2, April 1995, pp.166

⁸ Bishwa Pradhan,(1989) SAARC and Its Future, Malla Press, Kathmandu, pp. 141

framework agreement on SAPTA was finalized and signed at the Seventh Summit at Dhaka. It entered into force in 1993.

So far three rounds of trade negotiations have been concluded under SAPTA covering over 5000 commodities. Each round has contributed to an incremental increase in the product coverage and the deepening of tariff concessions over previous rounds. The Fourth Round of meeting of regional trade forum-SAPTA-will aim at trade negotiations, tariff concessions and product coverage (see table-5). The Committee endorsed that the 11th SAPTA meeting would be hosted in Kathmandu on October 26-27 this year.

The basic principles underlying SAPTA are⁹:

Overall reciprocity and mutuality of advantages so as to benefit equitably all Contracting States, taking into account their respective levels of economic and industrial development, the pattern of their external trade, trade and tariff policies and systems;

- ◆ negotiation of tariff reform step by step, improved and extended in successive stages through periodic reviews;
- ◆ recognition of the special needs of the Least Developed Contracting States and agreement on concrete preferential measures in their favor; and;
- ◆ inclusion of all products, manufactures and commodities in their raw, semi-processed and processed forms.

⁹ See for details appendix-12 (Agreement on SAARC Preferential Trading Arrangement)

Table-5: Number of Products covered and the Depth of Preferential Tariff Concessions in the first three rounds of trade negotiations under SAPTA

Country	No. of Products	Depth of Tariff Concessions
Bangladesh	572	10% and 15%
Bhutan	266	10%, 13%, 15%, 18% and 20%
India	2402	10%, 15%, 20%, 25%, 30%, 40%, 50%, 90% and 100%
Maldives	390	5%, 7.5%, 10% and 15%
Nepal	425	10% and 15%
Pakistan	685	10%, 15%, 20% and 30%

Source: www.saarc-sec.org

5.1.4 South Asian Free Trade Area (SAFTA)

In the trend of globalization, SAFTA is playing a very important role in trade liberalization in South Asia. It creates various economic opportunities and also adds a new dimension in the area of interaction among the people. Nearly 46 percent of world trade represents intra-free trading area activity.¹⁰ In this context SAFTA has become an unavoidable necessity for the SAARC region.

Recognizing the asymmetries in development within the region and bearing in mind the need to fix realistic and achievable targets, the Tenth SAARC Summit in Colombo decided on the setting up of a Committee of Experts which would draft a comprehensive treaty regime for creating a free trade area within the region. The Committee has been set up and a draft prepared by the Secretariat is under

¹⁰ Amit Sarkar, "SAARC Preferential Trading Arrangement" Discussion Paper, Presented at a Discussion, Jointly organized by Federation of Indian Chambers of Commerce and Industry and Friedrich-Naumann-Stiftung, New Delhi, 18 May 1994, p.2

consideration. The process has benefited from inputs suggested by the South Asian corporate sector.

A meeting of economic sectoral focal points (senior officials) held at the SAARC Secretariat in October 2001 reviewed the progress in the evolution of the regulatory framework and made appropriate recommendation for the consideration of higher SAARC bodies.

5.1.5 Trade Facilitation Measures

South Asia is a big trade market but intra-regional SAARC countries trade volume is very poor (see table-6 for details). Trade facilitation and control of trade is important for this region. Action has also been simultaneously initiated on a series of practical measures aimed at trade facilitation, such as consideration of a Regional Agreement on the Promotion and Protection of Investments in the SAARC Region, the setting up of a SAARC Arbitration Council, and consideration of a Regional Agreement on the Avoidance of Double Taxation.

A Group on Customs Cooperation was set-up in 1996 and delegated with a mandate to harmonize customs rules and regulations; simplify documentation and procedural requirements; upgrade infrastructure facilities and provide training facilities. A Customs Action Plan has also been drawn up. Standing Group on Standards, Quality Control and Measurement was also established by the second meeting of SAARC Commerce Ministers in May 1998. The Group held its first meeting in New Delhi in June 1999.

Table 6: Intra-regional Trade of SAARC Countries (1997)

	Share of Intra-SAARC Imports in Total Exports (%)	Share of Intra-SAARC Imports in Total Imports (%)	Share of Intra-SAARC Imports in Total Imports (%)
Bangladesh	2.6	17.6	12.7
India	5.0	0.5	2.6
Maldives	22.0	12.8	14.0
Nepal	7.6	15.6	13.2
Pakistan	3.1	1.4	2.1
Sri Lanka	2.8	8.6	6.4
SAARC	4.4	3.6	4.0

Source: IMF Direction of Trade Statistics, Yearbook 1998,

Also see Dushni Weerakoon & Sisira Jayauriya 'Economic Integration in SAARC With Special Reference to the Role of FDI in Regional Integration' in Shaheen Afroze(ed)(2002) "Regional Cooperation in South Asia: New Dimensions and Perspectives" , Dhaka, Bangladesh Institute of International and Strategic Studies (BISS) pp.33

5.2 Problem Solving Multilateral Framework (first in South Asia)

Given the profundity of the wide-spread changes being effected in the economic, technological, social and information fields and their unpredictability, the Tenth Summit in Colombo felt that the challenges and opportunities inherent in the developments, could best be met and the full potential of South Asia realized through regional cooperation. The Summit restated its tenacity to promote the enunciation of shared positions in multilateral forum. In this regard, a chain of discussion were held prior to the Second (Geneva, 1998), Third (Seattle, 1999) and Fourth (Doha, 2001) WTO Ministerial Conference and ended in the enunciation of a SAARC position through a

Joint Statement issued by the SAARC Commerce Ministers. The Joint Statement by SAARC Commerce Ministers issued for projection at the Seattle WTO Ministerial Conference was also forwarded to other regional group and similar-minded countries with the intention of seeking support at the Doha Meeting.¹¹ Usual consultations are also conducted in a form of multi-lateral approach among SAARC Permanent Representatives to the WTO, WIPO and other bodies.

5.3 Enhancement of Institutional Capacity

In order to boost up SAARC's collective capacity in respect of policy analysis with specific emphasis on international financial and monetary as well as trade and investment issues, meetings of finance officials of SAARC countries have been held in several times, including regular consultations between Governors of Central Banks. The SAARC recognized the need to strengthen the individual financial systems of the SAARC countries through the enhancement of their institutional capacity, surveillance mechanisms, over and above through closer consultations on, and coordination of, macro-economic policies on the priority area basis.

In addition, a Network of Researchers on Global, Financial and Economic Issues has been set up to identify, analyze and help SAARC face up to global, financial and economic developments affecting the South Asian region.

5.4 The Private Sector Development

The private sector has played an important role in moving the SAARC economic agenda forward. The SAARC Chamber of Commerce and Industry (SCCI), set up in 1992 has played a significant role in this regard bringing together the national chambers of commerce and industry of the Member States. Its activities range from

¹¹ Mohammad Tanzimuddin Khan & Mohammad Aynul Islam, "WTO Ministerial Meeting in Doha: Major Decisions and the Implications for Bangladesh," *The Journal of Social Science Review*, Vol. 19, # 1,

promotion of trade and interaction of the business community within the SAARC region to providing inputs for SAPTA and SAFTA. The SCCI also organizes Economic Cooperation Conferences annually in different capitals and focuses on building stronger partnerships and collaboration between Governments and Industry.

Another feature of projecting the potential of the region as well as promoting intra-SAARC trade has been the SAARC Trade Fairs. The first SAARC Trade Fair was held in New Delhi in 1996, the second in Colombo in 1998, and the third in Pakistan in 2001.

5.5 Promotion of Organized Tourism

The region should be given precedence as the tourist destination and should encourage the people of the South Asia to take up the region as their primary tourist destination. The SAARC Scheme of Promotion of Organized Tourism was initiated with the overall objective of strengthening people-to-people contact in the region. It is envisaged that the Scheme under a new arrangement would facilitate exchange of organized group tours between the Member Countries with provision of concession airfare and arrangement for limited convertibility of foreign exchange through a travel voucher system. This would provide a new impetus for the promotion of tourism in the region.

In view of the important and effective role of the private sector in the area of tourism, the tourism related the SCCI Tourism Council, a body under the SAARC Chamber of Commerce and Industry, is now looking after activities previously undertaken by the Technical Committee on Tourism. The SCCI Tourism Council is expected to complete this role under the purview of the Committee on Economic Cooperation.

5.6 Enhancing Social Development and Mutual Assistance

South Asia today contains 20 percent of the world population. Its highest rate of population growth threaten to undermine the benefits of economic growth as well as advances in agricultural productivity, and place of massive pressures on the land and its resources (see table 7). South Asian Association for Regional Cooperation has taken several initiatives for socio-cultural advancement. The Charter includes among the objectives of SAARC the acceleration of social progress and active collaboration and mutual assistance among Member States in the social field.

A focus on social issues under the broad heading of Health and Population Activities was one of the original five areas of cooperation decided by Member States. The primary focus of the Technical Committee on Social Development thus set up in 1984 was on maternal and child health, primary health care, disabled and handicapped persons, control and combating major diseases in the region.

The Heads of State or Government reiterated the need for an early finalization of the SAARC Social Charter and instructed the Inter Governmental Expert Group to expedite their work. In drawing up the Charter, they also directed the Council of Ministers to include the important areas of poverty eradication, population stabilization, the empowerment of women, youth mobilization, human resources development, the promotion of health and nutrition and the protection of children as decided at the Tenth Summit.

Table 7: Demographic Indicators 2000 and 2025¹²

(Indices for 2000 and (2025))

Indices for 2000 and (2025)

Births per 1000 pop.	25 (16)	38 (28)	25 (17)	34 (22)	32 (19)	17 (12)
Deaths per 1000 pop.	9 (7)	14 (9)	9 (8)	10 (7)	10 (6)	6 (8)
Rate of Increase %	1.7 (0.9)	2.2 (1.7)	1.6 (0.9)	2.3 (1.5)	2.3 (1.3)	1.0 (0.4)
Rate of Growth %	1.6 (0.8)	2.2 (1.7)	1.6 (0.9)	2.3 (1.5)	2.2 (1.2)	0.9 (0.4)
Life Exp. at Birth in yrs	60.2 (69.1)	52.4 (62)	62.5 (71)	57.8 (67)	61 (69.8)	71.8 (77.5)
Infant deaths per 1000 live births	72 (34)	111 (62)	65 (30)	76 (38)	82 (40)	17 (8)
Total fertility rate per woman	2.9 (2.1)	5.1 (3.5)	3.1 (2.2)	4.7 (2.7)	4.6 (2.3)	2.0 (1.7)
Midyear population	129.2 m (177.5 m)	2 m (3.3 m)	1 billion (1.4 b)	24.7 m (40 m)	141.5 m (213.3 m)	19.2 m (22.6 m)
Midyear pop 2050	205 m	4.6 m	1.8 b	53.3 m	267.8 m	23.1 m

Figures in bold are for year 2000, and those in brackets are for year 2025.

Data source: US census Bureau, International Data Base

The Twenty-first Session of the Standing Committee (Nuwara Eliya, 1998), the Technical Committee on Social Development consider the work of two previous Technical Committees respectively those on Health, Population Activities and Child Welfare and Women in Development. Additionally, broader issues relating to drug de-addiction, rehabilitation of drug addicts and demand reduction are also to be addressed by the Social Development Committee.

Table-8: Population Standard of the South Asian Countries

¹² See for details www.the-south-asia.com/Data-South_asia.htm

	Bangladesh	Bhutan	India	Nepal	Pakistan	Sri Lanka
Pop density per sq km	920.1	14.8	312.6	149	159	280.2
Malnutrition % under 5	NA	NA	NA	48.5	38.2	NA
Urban pop % of total	24.0	6.9	26.8	11.6	36.5	23.3
Rur density per sq km	1,196.5	502.6	419.2	658.4	382.2	1,629.2
Male illitrcy % 15+	48.3	NA	32.2	42.0	41.1	5.7
Female illitr. % 15+	70.7	NA	55.5	77.2	70.0	11.4

Figures in bold are for Year 1999 - others are for the year 1995.

Data source: The World Bank Group

5.7 Gender Issues

Thirteen meetings have been held of the Technical Committee on Women in Development since gender issues were included under the IPA in 1986. Activities have included pursuing a Regional Plan of Action for Women; publishing the SAARC Solidarity Journals on specific themes on women; highlighting the plight of the Girl Child in South Asia; and holding gender-related workshops, seminars and training programmes.

A Memorandum of Understanding for cooperation with the United Nations Development Fund for Women (UNIFEM) was signed on 30 December 2001.

Concerned at the trafficking of women and children within and between countries, Member Countries signed a Regional Convention on Combating the Crime of Trafficking in Women and Children for Prostitution on 5 January 2002 during the Eleventh Summit held in Kathmadu.

The development and well being of children is a principal area of cooperation identified

by SAARC from its very inception. The objective of building a region-wide consensus on social action for achieving the rights of the child and the goals set for them within the framework of a survival, development and protection strategy was addressed during three Ministerial Conferences on Children held in Delhi (1986), Colombo (1992) and Rawalpindi (1996) respectively.

Since a decision of the Second SAARC Summit (Bangalore, 1986) that the survival, protection and development of children be given the highest priority, annual reviews on the situation of children in SAARC countries have been undertaken since 1993. The Annual Situation Reviews on Children have been an important source of ascertaining the status of the indicators relating to the well-being of children and identifying areas where progress had been slow.

The Ninth Summit (Male', 1997) gave further impetus to tackling the important issues relating to women and children. SAARC Leaders resolved to implement appropriate policies at the national level to achieve the targets and objectives set out in the Rawalpindi Declaration adopted at the end of the Third Ministerial Conference on Children (August, 1996).

Suggesting targets and objectives set out in the Rawalpindi Declaration, the Tenth Summit (Colombo, 1998) noted that the 1997 Review of the Situation of the Children of South Asia had revealed progress in the reduction of infant mortality and increased coverage of immunisation programmes. They stressed, however, that continued efforts required to be sustained in these areas. SAARC has condemned the exploitation of children by terrorist groups in hostilities and called for special measures for the psychological, physical and social rehabilitation of child victims.

In the areas of child development and health issues, SAARC has been closely cooperating with international agencies such as UNICEF with which it has signed an MOU in December 1993. The MOU envisages cooperation in implementing the

relevant SAARC decisions relating to children through an annual agenda that includes joint studies, exchange of documentation and monitoring of implementation.

Ministerial Conferences have taken place and focused on the social agenda. These include a Ministerial Conference on Women and Family Health (Kathmandu, 1993) and a Ministerial Meeting on Disabled Persons (Islamabad, 1993). Another Ministerial Conference on Women (Dhaka, 1995) adopted a "Dhaka Resolution on Women" which was later presented to the Fourth World Conference on Women (Beijing, 1995).

5.8 Health Care and Disease Control

Member States have taken a number of initiatives in the area of health care and disease control. Discussions on health issues have highlighted the need for strengthening efforts to combat problems posed by the resurgence of communicable diseases such as malaria, TB, waterborne diseases and the emergence of AIDS as major health hazards. Arrangements for training, research and activities with regional approaches to combat major diseases in the region have been undertaken. A Directory of training programmes in six priority areas, i.e. malaria, tuberculosis, leprosy, diarrhoeal diseases, human rabies and maternal and child health have been prepared and circulated. Member States have also identified Centres to act as focal points on selected diseases.

The SAARC Tuberculosis Centre (STC), established in Kathmandu in 1992, is playing an important role in the prevention and control of tuberculosis in the SAARC region by coordinating the efforts of the National TB Control Programmes of the Member Countries. A SAARC project with the Canadian International Development Agency (CIDA) aims to enhance the capacity of the STC to perform its regional role in coordinating the joint efforts of the SAARC Countries in meeting a major concern of the region – the combined toll of TB and AIDS.

SAARC has signed an MOU with WHO in August 2000 for mutual cooperation in agreed areas to help Member Countries strive towards the goal of Health for All. Under the MOU, collaboration with the SAARC Tuberculosis Centre and other institutions in South Asia, particularly those active in the control of malaria, tuberculosis, and HIV/AIDS is being facilitated.

5.9 Poverty Alleviation and Development Activities

The widespread and debilitating poverty continued to be the most formidable developmental challenge for the region of SAARC. Problem of poverty with a new sense of urgency by actively promoting the synergetic partnership among national governments, international agencies, the private sector, and the civil society. SAARC pledged to undertake effective and sustained poverty alleviation programs through pro-poor growth strategies and social as well as other policy interventions with specific targets. Poverty in South Asia is rightly viewed by I K Gujral, "is unnatural because we have everything –enormous natural resources, huge reservoir of skilled and unskilled manpower, and also a huge market"¹³. In this regard SAARC leaders agreed to take immediate steps for the effective implementation of the programs for social mobilization and decentralization, and for strengthening institution building and support mechanisms to ensure participation of the poor, both as stake-holder and beneficiary, in governance and the development process.¹⁴

SAARC has undertaken sustained measures to extend rural micro-credit programs with focus on women and the disadvantaged sections of the society. They also stressed the need for widening the opportunities for gainful employment. While highlighting the importance of promoting agriculture, indigenous skills and small scale and cottage industries to address the incidence of rural poverty, they decided to enhance cooperation in agricultural research, extension and adoption. They

¹³ I K Gujral speaks to the Daily Star, "I want to open new chapter in Indo-Bangladesh relations." the Daily Star(5 September 1996)

specifically instructed that the Technical Committees should identify programmes and activities that impact on poverty alleviation. They urged the need to create gainful employment and promote cooperation in vocational training for reducing poverty.

SAARC arranged Special Session on poverty alleviation at the Ministerial level and undertaken a comprehensive review and evaluation of the status of implementation of poverty eradication policies and programs carried out so far, and recommended further concrete measures to enhance effective cooperation at the regional level.

SAARC has taken several institutional frameworks for reducing chronic poverty from this region. Recognizing the imperative need to address poverty related issues and to suggest strategies and measures to alleviate poverty in the region, an Independent South Asian Commission on Poverty Alleviation (ISACPA) was established by the SAARC Leaders at their Sixth Summit (Colombo, 1991). The Commission reporting to the Seventh Summit (Dhaka, 1993) provided a radical conceptual framework for poverty alleviation through social mobilization and empowerment in South Asia.

The Eighth SAARC Summit (New Delhi, 1995) approved the establishment of a three-tier mechanism for dealing with poverty issues. The first-tier would comprise of the Secretaries to the governments concerned with poverty eradication and social development in SAARC countries. The second-tier comprises of Finance and Planning Secretaries and the third-tier would comprise of Finance and Planning Ministers. By January 1996, the first round of the three-tier mechanism was completed.¹⁵

The Tenth SAARC Summit in Colombo (July 1998) noted that human resources development is a key element in any poverty eradication programme. The Summit agreed that with the establishment of the SAARC Human Resources Development Centre in Islamabad, it could look into the possibility of it's contributing to the strengthening of the human resources development component of regional poverty eradication programmes.

¹⁴ Declarations of SAARC Summits (1985-1995) op.cit. P.78

¹⁵ See for details Appendix-9 (Declaration of the Eighth SAARC Summit in Delhi)

National poverty alleviation programmes are being implemented in accordance with specific domestic priorities and hence a single plan to fit the region has not been feasible. Nevertheless, UNDP as a response to the 1993 Dhaka Summit initiated the South Asian Poverty Alleviation Programme (SAPAP), which is now operational in six Member Countries with the seventh expected to also participate. SAPAP is working with over 350,000 households in the six countries based on the concepts and recommendations of the Report of ISACPA. The ministerial level meeting identified the following areas where more work was needed:¹⁶

- ◆ Reaching the poorest of the poor;
- ◆ Linking decentralization to poverty eradication;
- ◆ Providing the poor access to credit;
- ◆ Developing alliances to forge ahead;
- ◆ Deepening the social mobilization process;
- ◆ Translating lessons from grassroots activities into viable macro-policy options;
- ◆ Synergy with other social mobilization efforts.

5.10 Combating Terrorism

The 28th SAARC Standing Committee meeting adopted various 24 agenda on different issues of the contemporary South Asia chaired by Nepalese Foreign Secretary Madhu Raman Acharya and participated by other six foreign secretaries of SAARC member nations. Some of the agenda were put to the fore by the Programming Committee and were later thought-out and accepted by the Standing Committee include: suppression of terrorism, acceleration of economic cooperation, poverty alleviation, controlling the trafficking of women and children for prostitution, controlling drug and narcotics smuggling and tourism promotion among the member states.

¹⁶ See for details 'Declarations of SAARC Summits' op.cit. Pp.91-82

Regarding the control on terrorism, the committee thought that the Conventions on the Suppression of Terrorism in SAARC region needed to be improved, mainly after the September 11 occurrence. It has necessitated additional protocol, which can only be done by a ministerial level meeting. The meeting also suggested the periodical meeting of heads of police of the member countries to combat the threat of terrorism and drug and narcotics smuggling. "It is about time that we reviewed our past performance and concentrated on a few core areas like trade, water resources, transport and tourism. Combating terrorism should be another area of our focus," says former foreign minister Thapa.

5.11 Human Resource Development and Cultural Bring Together

SAARC has taken some important initiatives for the development of human resource management and cross-cultural cooperation. The SCFSS was instituted with the aim of providing increased cross-fertilization of ideas through greater interaction among students, scholars and academics in the SAARC countries.

SAARC Youth Volunteers Programme (SYVP) is aimed at harnessing the idealism of youth for regional cooperation programmes. The programme seeks to encourage young people to work in other countries in the field of agriculture, rural development and forestry extension work. SYVP is implemented by the Technical Committee on Agriculture and Rural Development.

The SAARC Youth Awards Scheme was established in 1996. The aim of the Scheme is to provide recognition to outstanding young talent and to encourage the overall development of youth in the region. An award is made each year to a young person who has excelled in his/her particular field of activity. The Award consists of a gold medal, a cash prize of US\$ 500, and a citation. The first and second SAARC Youth Awards were presented in 1997 and 1998 for "**Outstanding Social Service in Community Welfare**" and "**New Inventions and Discoveries**", respectively. The third award presented in 2001 was for "**Creative Photography: South Asian Diversity**".

5.12 Promotion of People-to-people Linkages

Promotion of people-to-people contact in the region to strengthening mutual understanding and goodwill among the peoples of South Asia remains a high priority among SAARC Leaders. In order to give effect to this concept a number of initiatives have been taken under the aegis of SAARC. The important steps have been taken by business organizations, professional bodies, scholars, academics, national Cultural councils and the media in South Asia to form regional entities.

5.13 SAARC Visa Exemption Scheme

In order to facilitate closer and more frequent interaction and cooperation among the peoples of the region, the SAARC Visa Exemption Scheme was initiated in 1988 and became operational on 1 March 1992.

Under this Scheme, visa requirements are waived for specified categories of persons to travel within the SAARC region. The Scheme was expanded in 1999 and following consideration of the recommendation of an Expert Group, a further expanded list of approved categories is under consideration. At present categories eligible for visa-free travel under the Scheme include, Supreme Court Judges, Members of National Parliaments, Government Ministers, other high level officials of Governments, officials of the SAARC Secretariat and its affiliated bodies and leading businessmen.

5.14 Environmental Initiatives

Natural disasters and continued environmental degradation is the vital concern for the entire world. South Asia is also a disaster-prone area. The environmental degradation is a serious concern for the living people of South Asia. In the South Asian context the major issues are: water related environmental problems, air pollution, land

degradation, forest resource depletion and loss of bio-diversity and habitat.¹⁷ Environmental humiliation is related to the population problem and it has a number of broader negative economic, social, political and security implications in South Asia. For reducing environmental degradation from this region, the existing environmental infrastructures are not sufficient in this region and day-by-day it is declining. The Surface area and forest area is not appropriate for preventing environmental hazards (See table 8) subsequently these components are declining day by day for the extra pressure of over population. The forest area is decreasing for deforestation activities and access of improved water and sanitation facilities is very lower rate (See table 9 for details).

Table-8: Environmental indicators of South Asian Countries (1995)

	Bangladesh	Bhutan	India	Nepal	Pakistan	Sri Lanka
Surface area sq km	144,000	47,000	3.3 m	147,000	796,000	65,610
Forest area (sq km)	10,100	NA	650,000	48,220	17,480	17,960
Annual deforestation	0.8 %	NA	-0.0	1.1 %	2.9 %	1.1 %
CO ₂ ind emis met tons per cap	0.2	0.3	1.0	0.1	0.7	0.3
Co Commercial energy use kg oil per cap	198.8	NA	469.9	327.4	432.8	337.2
Electric power consume kwh	69.9	NA	338.8	36.9	322.4	208.8

¹⁷ Shamsur Rahman, "Towards an Integrated Regional Environment Management (IREM) in South Asia", *BISS Journal, Dhaka, Vol-17 # 4, October 1996, pp 538*

Data source: The World Bank Report 1996

Table 9: Average Environmental indicators for South Asia

	1997	2000	2001
Surface Area (sq. km)	5.1 million	5.1 million	5.1 million
Forests (1000 sk km)	..	781.6 thousand	..
Deforestation (Average annual (%) 1990-2000)	..	0.1	..
Water use (% of total resources)	..	2,777.0	..
CO2 emissions (metric tons per capita)	0.9
Access to improved water source (% of total pop.)	..	84.4	..
Access to improved sanitation (% of urban pop.)	..	66.0	..
Energy use per capita (kg of oil equivalent)	434.8	452.7	..
Electricity use per capita (kWh)	312.9	322.8	..

Source: World Development Indicators Database, April 2003

The SAARC Summits emphasized on the issue of environmental degradation in South Asia and gave impotence on preventing measures. By considering the major global concern on environmental degradation, SAARC formed a study group for identifying the causes and consequences of environmental hazards. According to the

recommendations of the study group SAARC decided to observe 1992 as the "SAARC Year of the Environment". They also arranged a meeting of Environment Ministers for sharing the bilateral issues of environment for taking initiatives on the priority basis. The Committee on "Greenhouse Effect and its Impact on the Region" is also an important milestone for preventing environmental degradation from this region.

5.15 Summit wise Outcomes

Ten Summits of the South Asian Association for Regional Cooperation have been held since its establishment in 1985 to 2000 in various venue of the South Asian countries (see box-1 for details).

Box-1 SAARC Summits: Where and When

<u>First SAARC Summit</u> Dhaka, December 8, 1985	<u>Sixth SAARC Summit</u> Colombo, December 21, 1991
<u>Second SAARC Summit</u> Bangalore, November 17, 1986	<u>Seventh SAARC Summit</u> Dhaka, April 11, 1993
<u>Third SAARC Summit</u> Katmandu, November 4, 1987	<u>Eighth SAARC Summit</u> New Delhi, May 4, 1995
<u>Fourth SAARC Summit</u> Islamabad, December 31, 1988	<u>Ninth SAARC Summit</u> Male', May 14, 1997
<u>Fifth SAARC Summit</u> Male', November 23, 1990	<u>Tenth SAARC Summit</u> Colombo, July 31, 1998
<u>Eleventh SAARC Summit</u> Katmandu, January 6, 2002	

5.15.1 First SAARC Summit¹⁸

The First SAARC Summit, the very beginning of SAARC, held in Dhaka on 7-8 December 1985. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the President of Pakistan and the President of Sri Lanka met in Dhaka on 7 and 8 December, 1985.

The Heads of State or Government signed a Charter of the South Asian Association for Regional Cooperation (SAARC) on the 8 December 1985. They accepted the Dhaka Declaration. They had taken following important decisions for the betterment of the people of this region.

- ◆ The standing committee of the SAARC should set up a research study group to identify the problem of terrorism and its effect on stability and security of South Asian nations.
- ◆ To identify the problem of drug trafficking and its abuse and some measures of remedies.
- ◆ They decided to organize a Ministerial level meeting for exchanging views and inspection on the ongoing deliberations on New International Economic Order and the enhancement of the Global Trading and Financial System through GATT taking considerations particularly the interest of the least developed among the developing countries.
- ◆ To ensure the active participations of women in development process within the SAARC framework.
- ◆ They decided to establish a secretariat for SAARC process.

¹⁸ See for details the First SAARC Summit Declarations (Appendix-2)

Box-2: Brief of the First SAARC Summit

The First SAARC Summit emphasized on the follows:

- ◆ Approved the Charter South Asian Association for Regional; Cooperation(SAARC);
- ◆ To identified the five area of cooperation's;
- ◆ Institutionalization Regional Co-operation;
- ◆ Women development;
- ◆ To identify the problem of drug trafficking and its abuse and some measures of remedies;
- ◆ To established Secretariat
- ◆ Etc. (See agenda of the Summit)

5.15.2 Second SAARC Summit¹⁹

The Second SAARC Summit held in Bangalore on 16 and 17 November 1986. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka met in Bangalore on 16 and 17 November 1986. They adopted the Bangalore declarations. The main them of the Bangalore declarations were as follows;

- ◆ The Foreign Ministers of the SAARC nations signed a Memorandum of Understanding on the Establishment of the SAARC Secretariat in their presence.
- ◆ They considered a number of new prospects for expanding and strengthening the co-operative programmes under SAARC process. Like; South Asian

Broadcasting Programme covering both radio and television; increasing people-to-people contacts to facilitate tourism including facilities for limited convertibility of national currencies for tourists from SAARC countries; to ensure the access on reliable and up-to-date information on technical, scientific and developmental matters; increasing cross-fertilization of ideas through greater interaction among students, scholars and academics in the SAARC countries etc.

- ◆ They decided to finance the institutional costs of regional institutions so that these regional institutions are directly involved with the benefits of the people of this region.

Box-3: The major outcomes of the Second SAARC Summit

The Second SAARC Summit emphasized on the following issues in priority basis:

- ◆ Signing a Memorandum of Understanding on the Establishment of the SAARC Secretariat;
- ◆ Expanding and strengthening the co-operative programmes under SAARC process;
- ◆ Finance the regional institutions;
- ◆ Exchanging information among the member countries;
- ◆ Etc. (see agenda of the Second SAARC Summit)

¹⁹ See for details the Second SAARC Summit Declarations (Appendix-3)

5.15.3 Third SAARC Summit²⁰

The Third SAARC Summit held in Kathmandu on 4 November 1987. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and President of Sri Lanka met in Kathmandu. This summit adopted the Kathmandu declarations. This declaration provided a renewed thrust and direction to the future course of regional cooperation in South Asia. The main aspects of Kathmandu declarations were as follows;

- They considered several issues of common concern, both regional and international, and assessed the overall progress in the context of SAARC objectives.
- The SAARC Regional Convention on Suppression of Terrorism and the Agreement of South Asian Food Reserve by the Foreign Ministers of the SAARC member nations were established and these were the landmarks in collective endeavors to eliminate terrorism and starvation from this region.
- They agreed to build up a well-planned comprehensive framework to identify the causes and consequences of natural disasters and the protection and the preservation of the environment. They also agreed to form a Commission in this purpose.
- They had taken a broad framework for expanding regional cooperation and tensioned, in particular, in the requirement of the further consolidation and rationalization of continuing arrangement pursued within SAARC framework.
- The summit emphasized the necessity for the strengthening inter-governmental efforts, increased people-to-people cooperation, ensure greater participation of

²⁰ See for details the Third SAARC Summit Declaration (Appendix-4)

the Non-Governmental Organizations (NGO,s) in the process of promoting socio-economic and cultural development in South Asia under the SAARC framework.

- The summit also highlighted the issue of strengthening institutional framework of regional cooperation in South Asia.

Box- 4: The major decisions of the Third SAARC Summit

The major decisions of the Third Summit were as follows:

- ❖ **Establishing SAARC Regional Convention on Suppression of Terrorism;**
- ❖ **Establishment of the Agreement of South Asian Food Reserve;**
- ❖ **Building up a well-planned comprehensive framework to identify the causes adconsequences of natural disasters and the protection and the preservation of the environment;**
- ❖ **Strengthening institutional framework of regional cooperation in South Asia;**
- ❖ **Strengthening inter-governmental efforts for increasing people-to-people cooperation,**
- ❖ **Ensure greater participation of the Non-Governmental Organizations in developmental activities;**
- ❖ **Etc. (see agenda of third SAARC Summit)**

5.15.4 Fourth SAARC Summit²¹

The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka met at the Fourth Summit of the South Asian Association for Regional Cooperation at Islamabad on 29-31 December 1988. The main outcomes of this summit were as follows;

- The summit expressed concern at the high incidence of drug production, trafficking and abuse in South Asia. They declared 1989 as the "**SAARC Year Against Drug Abuse**" with the purpose of focusing attention on drug-related problems facing the region. They asked for Members States to get ready and put into operation national programmes in this regard.
- They welcomed the beginning of SAARC Chairs, Fellowships and Scholarships schemes and the Youth Volunteers programme and determined to set up a Technical Committee on the area of education of this region.
- The summit ensured regional plan with specific targets in areas of core interest such as food, clothing, shelter, education, primary health care, population planning and environmental protection. In this context the summit agreed to launch "**SAARC-2000-A Basic Needs Perspective**" for working out the modalities and understanding of this core area within the SAARC framework.
- They recognized the need for focusing attention on more concrete and result-oriented activities within the SAARC framework.
- The summit welcomed the establishment of the SAARC Agriculture Information Centre (SAIC) at Dhaka with the view to set up regional institutions focusing on problems of common concern in the region.

²¹ See for details the Fourth SAARC Summit Declaration(Appendix-5)

- By giving emphasize on the needs of girl child the summit decided to declare 1990 as the **"SAARC Year of the Girl Child"** and aimed at specific programmes and activities to increase massive consciousness of the problems of the girl child.
- The summit identified the causes and consequences of natural disasters and the protection and preservation of the environment and provides a rational basis for the potentials and possibilities of evolving a regional plan of action, particularly to strengthen disaster management capabilities and to protect and preserve the environment.

Box- 5: Brief outcomes of the Fourth SAARC Summit

The decisions of the Fourth SAARC Summit were as follows:

- ❑ Launch **"SAARC-2000-A Basic Needs Perspective"** for ensuring basic of needs of the people.
- ❑ Establishment of the **SAARC Agriculture Information Centre (SAIC)**
- ❑ Declared 1989 as the **"SAARC Year Against Drug Abuse"** with the purpose of focusing attention on drug-related problems facing the region.
- ❑ Identify the causes and consequences of natural disasters and the protection and preservation of the environment.
- ❑ Emphasize on the needs of girl child the summit decided to declare 1990 as the **"SAARC Year of the Girl Child"**

5.15.5 Fifth SAARC Summit²²

The Fifth SAARC Summit held in Male' on 23 November 1990. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of the Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan and the Prime Minister of Sri Lanka met at the Fifth Summit of the They issued the Male' Declaration. The important issues of the declaration were as follows;

- The summit agreed to sign a Convention on Narcotic Drugs and Psychotropic Substances by the Ministers at Male' and undertook early measures to ratify the Convention.
- The leaders of the SAARC decided to initiate the special SAARC travel document that would exempt its holders from visas for travel within the region. In this context they also decided that Supreme Court Judges, Members of the National Parliaments, Heads of national academic institutions, their spouses and dependent children would be entitled to this Document.
- The summit agreed on a proposal for institutionalizing cooperation among the tourist industries of the Member States for the promotion of organized tourism with a view to catch the attention of more tourists from outside the region.
- The summit accepted the decision to share information and exchange reports, studies and publications with the European Community and the Association of South East Asian Nations in the recognized areas of cooperation.
- The summit asked for early completion of a regional plan "**SAARC 2000 A Basic Needs Perspective**" to smooth the progress of activities within an extensive framework of a long-term outlook.

²² See the declaration of Fifth SAARC Summit (Appendix-6)

- The Summit decided that in order to maintain focus on the problems of the Girl Child the years 1991-2000 would be observed as the **"SAARC Decade of the Girl Child."** They replicated their involvement to the welfare of the child in general and the girl child in particular would figure at the top of their list of priorities.
- In order to focusing on the problems of the homeless people, the Summit declared the Year 1991 would be observed as the **"SAARC Year of Shelter"**.
- By giving importance on the causes and consequences of natural disasters and the protection and preservation of the environment and the 'Greenhouse Effect' and its impact on the region the summit decided to observe 1992 as the **"SAARC Year of the Environment"**.
- The summit stressed immediate action to reduce the miseries of the millions of disabled people. In order to focus attention on their problems and to improve their quality of life, the summit decided to observe 1993 as the **"SAARC Year of Disabled Persons"**.
- In order to derive the maximum benefit and to sensitize the peoples in the region, they decided that suitable programmes should be worked out for observing **the SAARC Year of the Shelter 1991, the SAARC Year of the Environment 1992, and the SAARC Year of Disabled Persons 1993.**

Table-6: The Brief decisions of the Fifth SAARC Summit

The main outcomes of the Summit were as follows:

- The summit declared the Year 1991 would be observed as the **"SAARC Year of Shelter"**;
- Signed a Convention on Narcotic Drugs and Psychotropic Substances by the Ministers at Male' and undertook early measures

to ratify the Convention;

- The summit decided to observe 1993 as the "SAARC Year of Disabled Persons" for giving importance of the disabled person;
- The summit decided to observe 1992 as the "SAARC Year of the Environment" for reducing environmental degradation;
- The summit declared the Year 1991 would be observed as the "SAARC Year of Shelter";
- The summit declared years 1991-2000 would be observed as the "SAARC Decade of the Girl Child." They replicated their;
- Institutionalizing cooperation;
- Visa exemption program among the member states;
- Etc. (See agenda of the Summit).

5.15.6 Sixth SAARC Summit²³

The sixth SAARC Summit held in Colombo on 21 December 1991. The Prime Bangladesh, the King of Bhutan, the Prime Minister India, the President Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan, the President of Sri Lanka met at the Sixth Summit of the South Asian Association for Regional Cooperation (SAARC) at Colombo, Sri Lanka. They adopted the Colombo declaration. The prime achievements of the Summit were as follows:

- The Summit agreed on to promote regional cooperation for the benefit of the people of South Asia in a will of shared accommodation by way of full respect

for the principles of sovereign equality, independence and territorial integrity of all States and in strict adherence to the principles of nonuse of force, the peaceful settlement of disputes and noninterference in each other's internal affairs.

- They emphasized the need for vigorously promoting South-South economic cooperation to counterbalance the negative impact of international economic developments;
- In regard to human rights, the summit observed that civil and political rights on the one hand and economic and social rights on the other are interdependent and equally important. They expressed that the issue of human rights would not be treated as in narrow and exclusively political terms. In this context they emphasized the need to study the efforts of States to guarantee human rights in their full context through the pursuit of development for all citizens in atmosphere of stability;
- The Summit offered the highest priority to the poverty alleviation in all South Asian countries. They stated that South Asia's poor could make up a enormous and potential resource, provided their basic needs were met, and they were mobilized to create economic growth. As primary education is the cutting edge in the struggle against poverty and the promotion of development, the summit reaffirmed the significance of achieving the goal of providing primary education to all children between the ages of 6-14 years by the year 2000.
- The Summit decided to set up an independent and self-regulating South Asian Commission on Poverty Alleviation consisting of distinguished persons from each SAARC member state to conduct an in-depth study of diverse experiences of the seven countries on poverty alleviation.

²³ See for details Sixth SAARC Summit declaration (Appendix-7)

- The establishment of the Committee for Economic Cooperation is an important outcome of the sixth SAARC Summit. They also affirmed their commitment to the liberalization of trade and globalization of financial measures in the region through a step-by-step approach in such a way with the intention of all countries in the region could share the benefits of trade liberalization equitably.
- The summit approved to set up the Inter Governmental Group (IGG) to formulate institutional framework for seeking agreement on specific measures of trade liberalization among SAARC member states.
- By considering major global disquiet on the degradation of the environment, the Summit expressed their assurance that the framework could be laid for an equitable global affiliation of all countries with assurance to safeguarding the environment. In this context, the Summit satisfied the time frame of the study of **"Greenhouse Effect' and its Impact on the Region"** and urged member countries to consult each other on key issues concerning climate change, biodiversity and biotechnology, global consensus on forestry principles, transfer of environmentally sound technology, management of waste and other issues.
- They decided to continue to work within SAARC framework towards the global objective of **"Shelter for All by the Year 2000."**
- The Summit welcomed the recommendation on the establishment of an asylum information network to be called **"SHELTERNET"**.
- The Summit afforded the highest precedence to the issue of child endurance, protection and development. They welcomed the approval of a Plan of Action on Children for South Asia.
- The Summit recognized that terrorism was vital constraints for regional cooperation among the SAARC member countries and was to be prevented and eliminated from the region. In this regard they urged member states to take

all necessary measures to give full effect to their obligations under the SAARC Regional Convention on Suppression of Terrorism.

- The Summit agreed on the setting up of a SAARC Fund for Regional Projects (SFRP) for recognizing and development of regional projects. They decided Regional Council of Development and Financing Institutions of the SAARC Member States would manage the Fund.
- The Summit gave importance on the current advancement of scientific research and technology towards the well being of the peoples of the entire world. In this context they agreed for the South Asian region to derive the maximum benefit, scientific and technological cooperation should transcend national frontiers.

Box-7: Major decisions of the Sixth SAARC Summit

Major results of the summit were:

- ▶ The Summit gave importance on the current advancement of scientific research and technology;
- ▶ Setting up SAARC Fund for Regional Projects (SFRP);
- ▶ Asylum information network to be called "**SHELTERNET**";
- ▶ Framework towards the global objective of "**Shelter for All by the Year 2000.**";
- ▶ Formulate institutional framework for seeking agreement on specific measures of trade liberalization among SAARC member states;
- ▶ Combating terrorism drug trafficking;
- ▶ The establishment of the Committee for Economic Cooperation;
- ▶ Programme on the poverty alleviation from all South Asian countries;
- ▶ Establishing South Asian Commission on Poverty Alleviation;

► Etc.(See agenda of the sixth SAARC Summit).

5.15.7 Seventh SAARC Summit²⁴

The Seventh SAARC Summit of the South Asian Association for Regional Cooperation held on 11th April 1993 in Dhaka. The Prime Minister of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan and the President of the Sri Lanka, assembled at the Seventh Summit of the South Asian Association for Regional Cooperation (SAARC) at Dhaka, Bangladesh on 10 - 11 April, 1993. The important aspects of the seventh SAARC Summit were:

Integrated Plan for Action: The Summit stressed the necessity for a progressive mobilization towards undertaking more well-defined, target-oriented and time-bound plan and programmes to make sure tangible benefits for the peoples of South Asia. In this context, the summit accepted the current specific steps to combine and additional update IPA-related SAARC activities.

Regional Cooperation: The Summit emphasized and reiterated their commitment to the principles and objectives of the South Asian Association for Regional Cooperation (SAARC). They also recognized further dynamic forward motion to activities in the core areas of economic, social and cultural cooperation in the SAARC region.

More Business-like and functional Approach: For promoting and strengthening SAARC mechanism they also adopted a more business-like and functional approach in conducting Summit meetings.

²⁴ See for details Seventh SAARC Summit declaration (Aappendix-8) also available on line www.saarc-sec.org/summits/10thdel.htm

Eradication of Poverty: South Asian all pervasive poverty impeded the socio-economic and cultural development of this region. It comprised major political and economic challenges for this region. By considering this chronic poverty, the leader of the Summit emphasized on appropriate pro-poor, labor intensive, cost-effective, result-oriented and policy-oriented development strategies for eradicating massive poverty from South Asia.

Trade, Manufactures and Services: The Summit finalizes some institutional measures for promoting persistent growth and development to prevent the marginalization of trade in South Asia. They also mentioned on the decisive significance of immediate promotion of intra-regional cooperation, mainly in the area of trade and manufactures in order to enhance the productive capacity of the Member Countries. In this context, the Summit leaders finalized the framework of the Agreement on SAARC Preferential Trading Arrangement (SAPTA).

Environment: Environment is a vital issue in promoting regional cooperation in South Asia. Protection of environment, economic growth and eradication of poverty is the main thrust for this region. By giving importance in this regard, the summit expressed their deep concern and committed to execute at all levels - national, bilateral, regional and global - programmes for the protection and preservation of the environment and prevention of its degradation. They also highlighted all global actions in the area of environment should be based on common but differential errands, joint activities and impartial perspective.

Shelter: The Summit leaders gave active attention to continue and to work towards the global objective of "**Shelter for All by the Year 2000**". In this regard, the Summit asked to the member countries to take necessary initiatives for ensuring housing rights of South Asian people.

Children: The Summit replicated, in particular, the need to take effective measures to protect children against all forms of neglect and avoidance, cruelty and vindictiveness and exploitation and abuse and agreed to promote and enhancing cooperation among member states in formulating such measures. They approved the "**Colombo**

Resolution on Children" to formulate and implement programmes appropriately in their respective national milieu.

Youth Program: By providing exclusive concentration on the needs of youth in South Asia and their development, the summit decided to select 1994 as the "**SAARC Year of the Youth**".

Plan of Action for the Disabled Person: The Summit agreed to observe 1993 as the "**SAARC Year of Disabled Persons**", and also adopted the Regional Plan of Action for the Disabled Persons. They urged member states to take tangible steps to implement the Plan.

Women in Development: Gender inequities and disparities is the common trend in South Asian socio-economic atmosphere. The Summit hoped that the cooperation on gender related issues would enable to attain the vital goal of bringing women into the middle-of-the-road of development with liberty and equality. They recalled the pursuance of their collective will expressed in the Male' Summit to observe the 1990s as the "**SAARC Decade of the Girl Child.**"

Science and Technology: The Summit emphasized and gave utmost importance in the field of Scientific and Technological cooperation to facilitate and accelerate the process of development in South Asia. They also identified several areas of cooperation, particularly to facilitate research and exchange of information through networking arrangements in the field of bio-technology, genetic engineering, etc.

Combating Terrorism: The Summit reiterated their explicit denunciation of all kinds of acts, methods and practices of terrorism as criminal and illicit. They strongly deprecated the undesirable and adverse consequences of terrorism.

Security of Small States: The Seventh SAARC Summit reaffirmed their obligation to pay particular concentration to the supervising and monitoring of the security of small States and emphasized the need to consider special actions of support to preserve and protect their sovereign independence, territorial integrity and the well being of their people.

Establishing the Association of SAARC Speakers and Parliamentarians: The Summit agreed to established an "Association of SAARC Speakers and Parliamentarians" for increasing the process of regional

South Asian Development Fund: The Summit approved the proposal of the Council of Ministers for the establishment of an Inter-Governmental Group (IGG) on South Asian Development Fund (SADF) on an informal basis. They also intended for the IGG to scan the complementarities between the SAARC Fund for Regional Projects (SFRP) and SADF.

International Economic Issues: The Summit expressed their grave concern over the continuing deterioration in economic situation in the majority of developing countries. They also put emphasis on the global cooperation for development and annihilation of poverty that were inextricably linked with the maintaining of international peace and security. The leaders of the Summit sturdily highlighted the need to keep on efforts to seek a comprehensive and wide-ranging, hard-wearing and durable and growth and result-oriented solution to the external indebtedness of the developing countries.

The Seventh SAARC Summit brought positive outcomes of various area of agreed cooperation in priority basis and also expressed that this Summit would really contribute towards strengthening the policies and cooperative actions of the member states in response to the challenges of the 1990s and beyond in areas where SAARC has a distinct contribution to make. The leaders of the Summit optimized to reinforce and enhancing SAARC mechanism as an instrument - endowing it with a clear set of forward-looking goals and objectives as well as all the requisite institutional capacities.

Box-9: Brief agenda of the Seventh SAARC Summit

The major agenda and outcomes of the Summit were:

- ▶ Integrated Plan for Action (IPA) for improving standard of living;
- ▶ Institutional framework for Regional Cooperation;
- ▶ Establishing South Asian Development Fund (SADF);
- ▶ Eradication of poverty;
- ▶ Liberalization of trade, Manufactures and Services;
- ▶ Adjusting with the contemporary international order;
- ▶ Establishing the "Association of SAARC Speakers and Parliamentarians" for increasing the process of regional cooperation;
- ▶ Combating Terrorism;
- ▶ Ensuring security of Small States;
- ▶ Observe the 1990s as the " SAARC Decade of the Girl Child."
- ▶ Advancement of the area of Science and Technology;
- ▶ Declared "SAARC Year of Disabled Persons";
- ▶
- ▶ Approved "Colombo Resolution on Children" ;
- ▶ Etc. (see Summit agenda)

5.15.8 Eight SAARC Summit²⁵

The Eighth SAARC Summit held in Delhi on 4 May 1995. The Prime Minister of the Bangladesh, the King of Bhutan, the Prime Minister of India, the President of the Maldives, the Prime Minister of Nepal, the President of the Pakistan and the President of the Sri Lanka convened at the Eighth Summit of the South Asian Association for Regional Cooperation (SAARC) at New Delhi, India on 2-4 May 1995. The main areas of the Eighth SAARC Summit were as follows:

SAARC Decade: The Summit leaders expressed their pleasure on the success of the First Decade of SAARC and determined to commemorate its end of the First Decade both in the individual member states and jointly. They approved the suggestion of the Council of Ministers to convene a celebration session of the Council on the theme "**SAARC - Vision for the Second Decade**" to identify the areas on which SAARC should focus in its second decade.

Regional Cooperation: An ambiance of peace and stability could contribute to the economic growth and social progress. They reaffirmed their determination to strengthen regional cooperation in order to accelerate the process of promoting the welfare and improving the quality of life of the peoples of South Asia. They reiterated their commitment, in particular, to the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in each other's internal affairs. They evoked their sincerity in increasingly mutually dependent world, regional cooperation that were a self-motivated mechanism for enhancing economic affluence, reciprocated understanding and good hospitable dealings to achieve the objectives of peace and stability in South Asia.

Eradication of Poverty: The Summit decided to declare 1995 as the "**SAARC Year of Poverty Eradication**". They endorsed the recommendation of the Planning

²⁵ See for details Eighth SAARC Summit declaration (Appendix-9) also available on line www.saarc-sec.org/summits/10thdel.htm

Ministers that a mechanism should be set up to act as a forum for exchanging information on poverty eradication programmes among the south Asian countries. This mechanism would be in the form of a three-tier institutional structure as recommended and would meet once a year to tackle and create a supporting environment that beneficial to economic growth and social advancement of developing countries.

Establishing SAARC Preferential Trading Arrangement (SAPTA): SAPTA is a landmark for trade liberalization in South Asian countries. The Eighth Summit agreed on the Framework Agreement on SAARC Preferential Trading Arrangement (SAPTA) during their Seventh Summit in Dhaka in April 1993. With accordance of the rapid changing international economic environment, creation of major trading and economic groupings, establishment of the World Trade Organization (WTO) succeeding to the meaningful conclusion of the Uruguay Round of Multilateral Trade Negotiations and unilateral economic liberalization measures, the leader of the Summit emphasized the necessity of enlarging and intensifying cooperation within a certain rapid time-frame in the core areas of trade and economic relations in the region. In this context, they determined that the "Components" and "Additional Measures" identified in Articles iv and vi respectively of the SAPTA Agreement should be implemented.²⁶

Environment: The summit expressed their approval over the formulation of a common position by Member States to the World Conference on Natural Disaster Reduction at the Yokohama Conference. They accepted that the international cooperation in the field of environment is vital for building up national capabilities, transfer of suitable technology and promotion of bilateral and multilateral development and research efforts in prevention and reduction of natural disaster.

The Summit also had taken some further decision on several issues like; empowerment of women, Plan of Action to marked 1991-2000 as the 'SAARC Decade of the Girl-Child', measures to eliminate all forms of discrimination against women and girl-children, Plan of Action to marked 1994 as the 'SAARC Year of the

Youth' and adopted the SAARC Youth Awards Scheme, pursuance of the protection and promotion of persons with disability, to work towards the global objective of **'Shelter for All by the Year 2000.'**

Illiteracy is one of the major causes of poverty, backwardness and social injustices in this region. In this context the Summit decided to observe 1996 as the **"SAARC Year of Literacy"**.

The Summit also recognized the issue of drug abuse and drug trafficking with its linkages with crime, illicit arms trade and terrorism continues to pose a serious threat to the security and stability in the region.

The leaders of the Summit constituted the association of SAARCLAW and SAARC Chamber of Commerce and Industry. They approved the establishment of a three-window South Asian Development Fund with the combination of SAARC Fund for Regional Projects, the SAARC Regional Fund and a third window for social development and infrastructure development.

By considering the particular problems and requirement of Small States, the Summit accepted principles and norms relating to the sovereign rights and territorial integrity of all Small States.

In accordance with the changing demands of international order, the Summit agreed on several trade and financial issues for promoting globalization and liberalization of trade and investment. The also promote mutual and broad-based sustained economic growth on a global scale, as well as a non-discriminatory, and multilateral rule-based

²⁶ See for details 'The Agreement of the SAARC Preferential Trading Arrangement (SAPTA)' (Appendix-12)

international trading system. The Summit also agreed on some special measures for the least-developed and land-locked countries.

Box-10: The brief outcomes of the Eighth SAARC Summit

Major area of decisions in the Eighth SAARC Summit were:

- ▶ Establishing SAARC Preferential Trading Arrangement (SAPTA);
- ▶ Enhancing regional cooperation;
- ▶ Programme for eradicating chronic poverty;
- ▶ Programme for reducing and preventing environmental degradation;
- ▶ Decided to observe 1996 as the "SAARC Year of Literacy";
- ▶ Plan of Action to marked 1991-2000 as the 'SAARC Decade of the Girl-Child';
- ▶ Plan of Action to marked 1994 as the 'SAARC Year of the Youth' disability;
- ▶ Work with the global objective of 'Shelter for All by the Year 2000.'
- ▶ Etc.(see agenda of the Summit)

5.15.9 Ninth SAARC Summit²⁷

The ninth SAARC Summit held in Male' on 14 May 1997. The Prime Minister of Bangladesh, the Head of the Government of Bhutan, the Prime Minister of India, the President of Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan, and

²⁷ See for details SAARC Summits declarations also available online www.saarc-sec.org

the President of Sri Lanka met at the Tenth Summit of the South Asian Association for Regional Cooperation (SAARC) at Male' on 14 May 1997. The Summit approved the resolution on the following issues:

Regional Cooperation: The Summit reaffirmed their commitment, according to SAARC Charter, to promote regional cooperation through maintaining the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference to each other internal affairs. In order to promote regional cooperation, they emphasized to constitute a Group of Eminent Person (GEP). They further decided that this group can develop a long-range vision and formulate a perspective plan of action including the SAARC agenda for 2000 and this will explicate the target by the year 2020.

Enhancing Political Cooperation: For promoting peace, stability, mutual trust, accelerating socio-economic progress of this region, the summit agreed that a process of informal political consultation could start with in the SAARC countries.

Acceleration of Economic Growth: The Agreement on SAARC Preferential Trading Arrangement (SAPTA) entry into force by the 1995 (7 December) and the Summit leader expressed their satisfaction to this institutional framework and mechanism of trade liberalization in this region. They also tensed the significance of developing infrastructure and communication networks and arrangement amid member states to strengthen and to add force to the regional cooperation of this region. The summit emphasized to support the private sector to escalating and strengthening the intra-SAARC cooperation in the area of trade, investment and finance sector of this region.

Poverty Alleviation: The SAARC leader agreed that effective implementation of poverty eradication programme required a focus on greater target group participation in the formulation and implementation such programme through social mobilization. In this purpose the decided to recognize 1997 as the "SAARC Year of Participatory Governance". They also gave importance on micro-credit programme for achieving

socio-economic enhancement including to eradicating poverty and empowerment of women.

Women development: Expressing severe apprehension of the trafficking of women and girl children within and between the countries, the summit decided to effectively implement the recommendation of the 'Dhaka Resolution on Women'. The summit also stressed on the mobilization of women for reducing gender inequality and discrimination of this region.

Environmental Development: Considering grave concern over increasing environmental degradation, the ninth Summit stressed on 'preserving measures' for reducing environmental hazards from this region. In this regard, they expressed urgent need of implementation of the recommendation of SAARC Regional Study on Greenhouse Effect and its impact on this region and the Regional Study on Causes and Consequences of Natural Disasters and the Protection and Preservation of environment.

Combating Terrorism and Drug Trafficking: Terrorism and drug trafficking is serious impediment for socio-economic and cultural development and a grave global concern for living people. For controlling terrorist activities and drug abuse the ninth SAARC Summit decided to establish SAARC Terrorist Offences Monitoring Desk (STOMD) and SAARC Drug Offences Monitoring Desk (SDOMD).

The ninth Summit also emphasized on several comprehensive regional and international issues like: promoting science and technology, increasing people-to-people contact, ensuring security of small states, taking special measures for the least developed and land-locked countries and adjusting with international economic and cultural order.

Box- 10: Brief Outcomes of Ninth SAARC Summit

Major Outcomes of ninth SAARC summit:

- ▶ Regional Cooperation;
- ▶ Poverty Alleviation;
- ▶ Trade Liberalization Measures;
- ▶ Establishing SAPTA;
- ▶ Women and Girl Children Development;
- ▶ Combating Terrorism and Drug Abuse;
- ▶ Health Care and Nutrition;
- ▶ Security of Small States and Interest of Least Developed Countries;

5.15.10 Tenth SAARC Summit²⁸

The tenth Summit of the South Asian Association for Regional Cooperation issued on 31 July 1998, in Colombo. The Prime Minister of Bangladesh, the Head of the Government of Bhutan, the Prime Minister of India, the President of Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan, and the President of Sri Lanka met at the Tenth Summit of the South Asian Association for Regional Cooperation (SAARC) at Colombo from July 29 to 31, 1998. The Summit approved the resolution on the following issues:

²⁸ See for details Tenth SAARC Summit declaration (Aappendix-10)

Regional Cooperation: The leader of the summit re-affirmed their commitment to the values and principles of the South Asian Association for Regional Cooperation (SAARC) and to the quest of regional cooperation on the basis of the principles of sovereign equality territorial integrity of States, political independence, non-interference in each others internal affairs, non-use of force, the peaceful settlement of all disputes and mutuality of benefit.

Cultural Unity: The head of the State or Government emphasized on shared cultural heritage as a source of influencing and enhancing the creative energies in all fields. They also adopted practical Action Plan to network the national institutes of cultural relations and to establish a South Asian Cultural Center to promote the distinctive arts and image of South Asia.

Enhancing Political Cooperation: The leader of the Summit provided importance on fostering good neighborly relationships, mitigating tensions and building confidence. In this regard, they agreed that a process of informal political consultations would prove the usefulness among South Asian countries. The summit reiterated their pledge to the promotion of mutual trust and understanding and recognizing aims of promoting peace, stability and amity.

Appraisal of SAARC Activities: The authority considered the Report and Recommendations of the GEP and also undertaken a comprehensive appraisal of SAARC and to develop an **Agenda for 2000** and beyond.

SAARC in the Changing International Economic Order: The summit agreed on the vital imperative for strengthened cooperation among SAARC members to identify and recognize, analyze and efficiently compete with the intricate multi-faceted challenges intrinsic in the global economic environment that is varying so drastically, mainly in this last decade prior to the facing the new millennium. The also noted that the SAARC

need to increase the combined ability in respect of policy analysis, with a specific emphasis on international financial, monetary, trade and investment issues and their domestic ramifications and implications. By considering the wide –spread changes in the area of the economic, technological, social and information sphere, the Summit emphasized on the urgency of trade liberalization and financial globalization among the South Asian countries.

Acceleration of Economic Cooperation: The authority agreed that the benefits of economic liberalization would be more wide-ranging and better impartial through the promotion of trade- creating joint ventures, investment and trade. They also emphasized on biased practices and non-tariff barriers should be simultaneously as removed on items in respect of which tariff concessions are fixed or have been fixed earlier. Measures to remove structural impediments also had taken in order to move promptly towards the goal and purpose of SAPTA and SAFTA. They finalized the text of the regulatory framework by the year 2001.

Links With International and Regional Organizations: The Summit emphasized in establishing relations with regional and international groupings which have experience in economic cooperation and functional regional cooperation. In this regard SAARC signed several agreement with ASEAN, EU and United Nations etc.

Sub-regionalism: For enhancing regional solidarity and promoting overall development, the Summit encouraged the mechanism of sub-regionalism under the provisions of Article VII and X of the Charter.

Security of Small States: Considering the vulnerability and safeguarding of the sovereign independence and territorial integrity of small states, the summit reiterated

the real protection of small States and they stressed all the countries either severally or collectively through the pursuit of appropriate action.

Measures for Least Developed and Land-locked Countries: The economic growth and development in the Least Developed and Land-Locked Countries was not progressing well. In this context the Summit stressed the need to take special measures for speed up the process of development. They highlighted the need to complete the globally approved aid targets for ensuring accelerated and sustained economic growth in developing countries particularly in the Least Developed Countries. They also strained on the requirement of sufficient resources to facilitate implementation of economic reform programmes in SAARC countries.

Education and Literacy: Illiteracy was a most important obstacle to economic development and social emancipation. The Summit leaders emphasized the issue on eradication of illiteracy through co-operative activities within SAARC framework in this region. They also agreed to continue the programmes on eradicating illiteracy.

Eradication of Poverty: The Summit restated the assurance of SAARC to the eradication of poverty in the Region at the earliest possible, preferably by the year 2002. They underscored the need to promote utmost involvement by target groups in making and implementation of poverty eradication programmes. They stressed the need for effective utilization of the SAARC Three-Tier Mechanism with increasing participation of target group.

Universal Declaration of Human Rights: The SAARC leaders reaffirmed their assurance to the supplementary back up of human rights and fundamental freedoms by intensifying and strengthening the relevant national institutions in South. The Leaders decided that patience and mutual adjustment, combined with the strengthening of participatory governance, constituted the foundation for the sustainable economic and social development of the SAARC region.

The Summit also highlighted and taken decision on the several issues of socio-economic and international perspective in the priority basis, like; increasing people-to-people contact, combating terrorism and drug trafficking, empowering women and girl child, science and technology, protecting and preserving environmental degradation, ensuring housing and shelter for deprived people, improving health care facilities and disabled person, adapting with international economic and political order etc.

Box- 11: Brief Outcomes of Tenth SAARC Summit

Major outcomes of the tenth SAARC Summit were as follows:

- Enhancing regional cooperation and cultural unity;
- Enhancing political cooperation;
- Adapting with the changing international order;
- Evaluation of SAARC activities;
- Acceleration of economic growth;
- Combating terrorism and drug trafficking;
- Increasing people-to-people contact;
- Ensuring housing and shelter;
- Promoting sub-regionalism;
- Protecting and preserving environmental degradation;
- Ensuring security of small states;
- Increasing science and information technology;
- Eradication of poverty and reducing illiteracy;
- Etc (see agenda of tenth SAARC Summit)

Chapter Six

SAARC's Limitation to Achieve:

"...just as we in south Asia were relatively late in embarking on structural regional cooperation, our tangible achievements to date has been relatively insubstantial...what has held us back was a lack of sufficient political will. In tum, political will has been lacking for want of mutual trust and confidence."

-President Chandrika Kumaratunga ¹

Any initiative for regional cooperation and integration is not out of drawbacks and shortcomings. Every process has some limitations and restrictions. SAARC's process of regional cooperation is not out of drawback. It has started with some disabilities and self-obligatory drawbacks. It approved functional approach to work for regional cooperation and maintaining peace and stability. Decisions on the basis of '**unanimity**' and no discussion on '**bilateral and contentious**' issues are the major impediments of SAARC framework.² However, since emergence in 1985, until 2000 SAARC did very little things several severe issues of regional and global concern related to peace and security, confidence building measures, environmental degradations and economic cooperation.

6.1 Peace and Security Issues

South Asia has been a conflict-ridden region all throughout its contemporary history³. Several internal and inter-State disputes and conflicts exist in contemporary South Asian arena.

¹ Speeches in Summit Meeting in Male' 1997, Quoted from Iftekharuzzaman, 'Reforming SAARC: Inspite of Governments' in Shaheen Afroz (2002) *Regionalism Cooperation in South Asia: New Dimensions and Perspectives* Dhaka, BIIS, p. 17

² "Charter of the South Asian Association for Regional Cooperation" in Abul Hasan (1992) *SAARC: A Perspective*, Dhaka, University Press Limited, p. 55see also Appendix-1 for details.

³ Abdur Rob Khan, 'Contemporary International Conflicts in South Asia: A Compendium' Dhaka, The Journal of Bangladesh Institute of International and Strategic Studies (BIIS), Vol.14, No. 4, October 1993, p. 440

Most of the countries of the region have been facing the problem of violence and murder. Continued conflict has compelled the nations to stop their development efforts and mobilize the resources towards conflict resolution. The Maoists insurgency of Nepal, Tamil Tigers separatist movement of Sri Lanka, violence and murder campaign of various separatist groups in India, fundamentalist Islamic organizations terrorist activities in Pakistan have created serious problems in the region. Bangladesh, and Bhutan are also not exception to such difficulties. Indo-Pak tension is another hurdle standing in the regional process. The existing bilateral problem has halted the regional cooperation. Indo-Pak tension, Bhutanese refugee issue, Tamil Tiger and separatist movements are some of the examples of such bilateral problems.

SAARC, since its inauguration, has sought to keep out bilateral issues on conflict and disputes as well as controversial issues from its formal dialogue and negotiations. There is enduring question over whether regional cooperation can move forward at an accelerated velocity resting on continued and predictable basis by shutting down eyes for long to political divergence, disparities and bilateral disputes.

While President Musharraf of Pakistan in his address to the eleventh summit called for discussion on bilateral issues at SAARC's formal meetings, Prime Minister Vajpayee of India spoke against this position as it would violate the SAARC Charter and go against its spirit. He further gave emphasis to the need for additional expansion in the areas of economic cooperation and their effective implementation.⁴

Since differing security acuity of member states in the region, regional security has never subjugated the SAARC list of agenda as a subject of common concern.

⁴ Mohan Lohani, "SAARC and Regional Security" The telegraph, Katmandu, November 27, 2002

Like other Summit declarations, unsurprisingly, there is an ephemeral reference to regional security in the Kathmandu declaration. Under the sub-heading **"International Political and Economic Environment"** restated the view in a single sentence, "stability, peace and security in South Asia should be promoted together with efforts to improve the global security environment."⁵ Anybody could realize the susceptible dimensions of the regional security milieu. In reality, the security milieu in South Asia is still in vulnerable, explosive and precarious circumstances.

The common people in South Asia and away is glaringly be aware of the rival and foe relationship between India and Pakistan. Cross-border terrorism, Kashmir dispute, arms race and nuclearization, Kargill crisis etc has become the rising issue of India-Pakistan relations. Kashmir dispute both of these two countries is the basis and root of all bilateral disputes. The US Ambassador to India Richard Celeste once stated that both the countries were " closer to a war than the Soviet Union and the United States ever were."⁶ The persistent dispute over Kashmir undoubtedly desires to be resolved through non-violent and peaceful dialogue. As because both the countries are with nuclear capabilities, it is all the more essential for bilateral disputes to be thrashed out peacefully so that SAARC turns out to be a vibrant and energetic, dynamic and self-motivated, valuable and effective organization able to realize its common objectives, fulfilling its settled pledges and guiding South Asia towards transforming itself as a region of peace, progress, prosperity and stability.

6.2 Confidence Building Measures (CBMs)

Confidence Building measures (CBMs) are a vital and significant factor in international security arena for controlling arms race, reducing bilateral disputes

⁵ See for details, the declaration of Eleventh SAARC Summit (Appendix-12)

and tension. It is a process that can change and transform a security environment. As Chinese scholar pointed out, "they are intended to increase the military transparency and openness, limit the military deployment and military activities, and express the friendly attitude towards the other side or sides, so that countries concerned increase their mutual confidence, reduce misunderstanding and miscalculation of the others military activities, which pose the danger of triggering a war."⁷ It is also better understood as "conflict avoidance measures."⁸ It covers a really huge canvas ranging from a simple unwritten understanding between the two rivalries to a treaty. This would imply that any action, any development any measure any arrangement, any understanding, any agreement or any treaty that generates confidence between the adversaries could be interpreted as a CBM.⁹

In the South Asian context, prerequisites of confidence building measure does not present. Several minor innovations can be recommended in the thoughts about applying CBMs in South Asia. But the exploration of CBMs is lacking, even those relating to South Asia.¹⁰ Although South Asia is a dispute prone area and world poorest region, it is remain out of developing any highly confidence building measure. SAARC's role in enhancing confidence-building measures in South Asia is not noticeable and visible. South Asia needs to reduce conflict and eradicate al pervasive poverty. In fact, South Asia is embarked on a dual process of confidence building and regional dialogue.¹¹ SAARC should develop a framework of confidence building measures for reducing bilateral security related

⁶ The Indian Express, August 1, 1998

⁷ Zhu Chenghu, 'The CBMs Between China and India' in Dipankar Banerjee ed. (2000) "CBMs in South Asia: Potential and Possibilities" Colombo, Regional Centre for Strategic Studies, p. 81

⁸ Dipankar Banerjee(1999), "Confidence Building Measures in South Asia", Colombo, Regional Centre for Strategic Studies, p. 1

⁹ Ibid, opcit. p. 7

¹⁰ Micheal Krepon ET. Al, "A Hand Book of Confidence Building Measures for Regional Security" Henry L. Stimson Centre, in South Asia Portion of its CBM project, available at www.stimson.org/cbm/sa

¹¹ Navinta Behera, Paul Evans and Gowher Rizvi(1997) *Beyond Boundaries: A Report on State of Non-official Dialogues on Peace, security and Cooperation in south Asia*: University of Toronto-York University

disputes, economic disparities, over militarization activities and harmonization of regional cooperation among the South Asian countries.

6.3 Economic Co-operations

The world is witnessing the tremendous upliftment of economic globalization as well as trade liberalization through reducing trade barriers and impediments. Forming regional organization in terms of political, economic and security aspect is the Cold war trend. Regional bloc has been playing pivotal role in promoting regional economic cooperation.

South Asian Association for Regional Cooperation (SAARC) started with the hope of enlarging regional economic engagement and desired to develop standard of living through eradicating poverty. Since emergence in 1985, it is now passing eighteen years of exercising regional cooperation practices but still now its achievement is very little except several non-political and non-controversial issues. Although SAARC was also born to advance regional cooperation in the economic sector, it is yet to fully achieve its objectives.

Since the creation of SAARC, the first institutional framework of regional economic cooperation, the SAARC preferential Trading Arrangement (SAPTA) was signed in 1993 and came onto exist in 1995. Since the emergence of SAPTA, SAARC has successively liberalized the trade. While the first round of trade negotiations had reduced tariffs on only 226 products in 1995, the second round, operational in 1997, covered 1,868 products and the third 3,456 in early 1999.¹²

¹² Dasgupta, Amit and Bibek Debroy (eds.(1999) '*SAARC Means Business*', SAARC Chamber of Commerce and Industry, New Delhi p. 26

SAARC also agreed to establish a free trade area in South Asia named 'South Asian Free Trade Area (SAFTA)' for free movements of goods and commodities of this region. However, the achievement of the SAARC in terms of economic cooperation is not adequate. The ASEAN and EU are going through enlarging economic cooperation with global trends. But SAARC, to some extent, has failed to absorb the benefits of globalization and regional economic cooperation. Its initiatives to give 'institutional framework' of regional economic cooperation are not satisfactory and adequate. Still India, as big market, is dominating the South Asian market. There is going on imbalance trade volume in South Asian countries.

6.4 Inadequate Institutional Process

In the context of South Asia, SAARC's institutional framework is not simultaneously adequate for the reality of socio-economic and politico-security perception of this region. Mutual mistrust and suspicion to each other, in one hand, all pervasive chronic poverty, illiteracy, diseases and lack of resources, in other hand, is the common phenomena of South Asian context. Here need a strong institutional framework covering socio-economic and security related issues with charismatic South Asian leadership. However, SAARC was born with several institutional constraints.

Article X of the SAARC Charter discourages and prohibited the 'bilateral' and 'contentious' issues in SAARC framework. The decision making process of SAARC is not democratic or people centric. Regarding the postponement of Eleventh SAARC Summit, a South Asian Scholar pointed out "...is gross violation of democratic values of consensus and also robs SAARC of its 'peoples character', and render it a club of heads of States, bureaucrats and officialdoms"¹³. SAARC should develop its mechanism in regional perspectives. It's Secretariat in Kathmandu is not strong.

¹³ S. M. Rahman, 'SAARC and New Paradigm of Security', in Shaheen Afroze (ed) opcit. P.131

Chapter Seven

Constraints of the SAARC: Building Regional Cooperation

"If we believe that regional cooperation is a necessity, then the concerned parties should try to ensure that their bilateral disputes would not hold hostage the regional process,"

Kamal Thapa, Former Foreign Minister of Nepal

Building cooperation is the main thrust for new global order. Economic policies, development strategies and economic diplomacy are the pivotal instrument and elements of new international economic order. For building regional cooperation there needs several propositions, like; first, the cooperation is only viable and workable when the countries of the said block have genuine interest on the block, second, the variance in the size of the economy of the countries need not require to have vast difference and third, contiguous border is required fourth, common political and cultural structure are the key points for the successful launching of any types of regionalism or regional cooperation.¹

Like in other regions of the world, regional cooperation has been difficult to achieve in South Asia. In the early phase, the Cold War rivalry of the super powers disturbed the development of the region. India was firmly allied with the Soviet Union, while Pakistan and other nations were in the camp led by the United States.

However, since the emergence in 1985 SAARC has been exposed barriers and difficulties from multifarious sources – political, institutional, economic and cultural. Interestingly, the realists and neo-realists have always tried to

¹ Vijaya Chalise, "Regional Cooperation" The Himalayan Times, 31 December 2002

downgrade the importance SAARC highlighting those limitations. The major limitations that SAARC has been facing since its inception may be mentioned in the following:

Institutional limitations

Since the commencement in 1985, SAARC has put under several grave institutional constraints by itself. Most of the institutional constraints are related to:

- According SAARC Charter, Article X stated, "no bilateral and contentious issues can be the agenda of SAARC mechanism"² that is absolutely a vital limitations for building regional cooperation and development for living people.
- Decision-making process also impedes the framework of South Asian Association for Regional Cooperation. According to the Charter, it is decided that, 'all decisions have to be on the basis of unanimity'³. In fact, this sort of commitment is like the explicit violation of democratic values and rights.
- According to the Charter, the selected areas of cooperation are on non-political and non-controversial matters that are likely to be related with the socio-economic aspects of life. But Security and political issues are completely ignored and unseen. However, without resolving disputed bilateral issues no regional cooperation can be possible.
- Inadequate and insufficient institutional framework and absence of strong secretariat is also a grave concern for promoting regional cooperation with in the SAARC framework. Without strengthening Institutional framework of SAARC the target of regional cooperation could not be achieved.

² See the SAARC Charter, (Appendix-1)

³ See the SAARC Charter, (Appendix-1)

Box: Major Limitations of SAARC Process

Major Impediments of SAARC process are as follows:

- Institutional limitations
 - Decision-making process
 - SAARC charter, Article 10
 - Areas of cooperation
 - Absence of strong secretariat
- bilateralism;
- sub-regionalism;
- mutual mistrust among the members;
- bilateral disputes (Kashmir issue, border, water etc.);
- historical legacies;
- nuclear rivalry/proliferation;
- domestic instability;
- spillover of ethnic and domestic conflicts;
- lack of regional leadership role;
- trade imbalances;
- centralization/governmentalization of power and auth;
- economic complementarities.

7.1 Demographic Problem:

Like the geographical terrain of South Asia — which comprises mountains, seas, and cold and warm zones — SAARC is full of diversity, which creates turbulence at the time of the summits. One of the major challenges of the region is the rapidly increasing population living below the poverty line (23 percent population of the world and around 40 percent people live under the poverty line or in a difficult economic condition). According to the South Asian Poverty Alleviation Program, the absolute number of people in the region living on less than a dollar a day has increased from just under 500 million in 1990 to over 520 million in 1998. This is going to be a major problem for the region. South Asian governments require a certain level of understanding to solve their common problem.

To some extent, the location of Sri Lanka and the Maldives do not permit them to be in the SAARC. Similarly, land-lockedness of Nepal and Bhutan is another stumbling block for the success of SAARC. In terms of size, India is the largest country in the region and it controls the entire economy under her clutches. Once more, the legacy of the division of Pakistan from India and Bangladesh from Pakistan has left an enormous mark in the region, which will not be healed by any means. Another factor is religion. The frequent religious violence between Hindus and the Muslim community in the region has sparked heavy tension both at the grass root and ruling level.

7.2 Nuclear rivalry/proliferation

Since the formation of SAARC, the world scenario has changed drastically. India and Pakistan tested nuclear weapons in the spring of 1998. The distrust spawned by similar events has delayed the process of regional cooperation within the SAARC framework.

7.3 Bilateralism

The traditional rivalry between India and Pakistan has often disturbed the SAARC process; neither country is in a position to ignore the value of the concept of regional cooperation. The existing bilateral problem has stopped the progress of the regional cooperation. Indo-Pak tension, Bhutanese refugee issue, Tamil Tiger and separatist movements are some of the examples of such bilateral problems.

By excluding a 'multilateral approach' to bilateral problems, a circumstance imposed by India in 1985 for its membership, SAARC's intra-regional exchanges remained dependent on political decision concerning the opening or closing of frontiers and transport corridors, according to the seriousness of local crises in the frontier regions. Unlike other regional organizations, commercial discrimination was directly aimed against the closest neighbor.

7.4 Sub-Regionalism

The recent wind is blowing towards sub-regionalism or sub-regional cooperation. It has been felt that smaller regions such as ASEAN (Association of South East Asian Nations), ECM (European Common Market) etc, would do well compared to bigger regions.

7.5 Historical legacies

Though the interest of the UN Economic Commission for Asia and Far East (now ESCAP) in regional cooperation dates back to 1948, till 1968 it existed only at a package deal taking on trade liberalization, payments arrangements, infrastructure development, etc.

The process of regional cooperation in developing world that appeared in the post second world War in the 1950s was the blocks such as the Association of South-East Asian Nations (ASEAN), South-East Asian Treaty Organization (SEATO) and Central Treaty Organization (CENTO).

Regional cooperation in South Asia has been extremely slow. The reason is that most of South Asian countries gained independence only after the Second World

War. They were at the initial stages of national unification and were far from the stage of regional cooperation. Recently, it has been realized that regional cooperation for Asia is little but unwieldy. It is against this background that the approach to regional cooperation for South Asian nations consisting of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka has to be viewed.

7.6 Massive Poverty in South Asia

All pervasive poverty situation impedes the process of SAARC framework. According to the World Development Report 2002 prepared by the World Bank, Bangladesh has a per-capita income of \$380, life expectancy of 61, under-five mortality of 89 per 1000, adult literacy rate of 59 and 35.6 percent of the people below the poverty line. India has a per-capita income of \$460, life expectancy of 63, adult literacy rate of 56 percent and 35 percent of the population below the poverty line. Nepal has a per capita income of \$220, life expectancy of 58 and adult literacy rate of 40 percent. Pakistan has a per capita income of \$470, adult literacy rate of 45 percent, and 34 percent of the people below the poverty line.⁴ Sri Lanka has a per capita income of \$870, a literacy rate of 91 percent and 25 percent of the population below the poverty line. Bhutan and the Maldives also face a similar situation.

South Asia, the region nevertheless has the largest share of the world's poor, comprising around 40 percent of its population of 1.35 billion. Poverty alleviation, therefore, remains a social, economic, political priority for the member states of SAARC.

7.7 Imbalance Trade

It is then no surprise that the total external trade of the region amounts to 0.8% of world exports and 1.3% of world imports. Intra-regional exchanges represent only 5.3% (exports) and 4.8% (imports) of the total.

⁴ The World Development Report 2002 on South Asia portion

7.8 India factor

There is a syndrome of asymmetry between India (76% of the total population and 77% of the regional GNP) and its neighbors. This is intensified by the fact that India is situated geographically at the centre of states, which have no common frontiers. India never pursue the principle of 'big brother' rather tries to be a master in the region. In addition, geopolitical and security tension between Pakistan and India has further complicated regional co-operation with the SAARC framework.

South Asian scholar Abul Hasan pointed out in his paper, 'Challenges to SAARC', several challenges that impedes the SAARC process in terms of regional cooperation, like; i) mutual suspicion and territorial and other conflicts; ii) lack of common South Asian strategic vision around which the state of South Asia can be rallied round; iii) risk erosion of bilateral historical or treaty advantages.⁵

Finally it can be viewed that 'political will' is the driving force to promote regional cooperation and SAARC member States have to move with strong political will for implementing development-oriented programmes and activities.

Despite all these structural constraints, something has actually happened, particularly with the entry into force in 1995 of SAARC Preferential Trading Arrangement (SAPTA). SAARC has given a strong message of the necessity of the regional grouping. It has been able to convince the people of the region and outside that the regional co-operation is a must if the economic cooperation is to forward for the well-being of the people of the region as predicted in the SAARC charter in 1985.

⁵ Abul hasan, 'Challenges to SAARC' A paper presented to Regional seminar on "Security of South Asia and Future of SAARC", organized by BISS, Dhaka on 24 June 2003

Chapter Eight

Prospects of the SAARC

"...the process of regional cooperation initiated some seventeen years ago though appeared moving very slowly but yet possessed tremendous potentials, which if utilized in an effective manner, could change the face and the fate of the South Asian region."¹

Q.M.A. Rahim, SAARC Secretary General

This is the world of inter-dependence and mutual understanding. Therefore, collaboration has come out as a successful and viable comeback for managing the challenges of growing interdependence among states in global perspectives. SAARC, the youngest regional association of the world, established in 1985 with a view to promote social progress, economic development, and cultural development of this region through joint efforts.² It has completed 18 years existence with meaningful development to promote regional and international cooperation through united efforts and effective manner in the south Asian nations.

South Asian Association for Regional Cooperation (SAARC) is the trust and hope of over one fifth (23 percent of the World Population³) of the total population of the contemporary world. It is moderately impossible to seek the solution of all the problems of the region in a short period of time. It is also not good to be pessimistic about the achievements made through the SAARC grouping. A lot of achievements have been made through this forum. Basis of regional cooperation has been laid and the time has come to forward programmes jointly to accelerate the economic pace of the member countries and raise the living standard of the people and resolve the problems through strong political will. Commitments

¹ The telegraph, Kathmandu, Nepal, 27 November 2002

² See for details in the SAARC Charter (Appendix-I)

have been made in the past and now this is the time to give momentum to materialize the commitments and make the region prosperous. Tangible and concrete efforts should be made to change and transform South Asia into a peaceful, conflict free and prosperous region.

8.1: Socio-economic Prospects

South Asian countries are facing multi-faced crisis with poverty reproduction, slow economic growth, uneven economic development, pressure of over population, natural resource erosion, high degree of military expenditure and social polarization and conflicts. Marginalization of South Asian economy in global perspective, reverse flow of resources, increasing protectionism and emerging regional block etc are influencing in the process of regional cooperation in South Asia.

In this context, it is urgently needed to re-evaluate and make another study for further economic prospect with in the SAARC framework. However, the emergence of economic blocs, their growing barriers and protectionism and other international trends adversely affect our economies and our development processes have been noted.⁴ The global economy is now in a divergence situation. Diversification and deviations exist between industrial and developing countries and between regional alliances and groupings. No South Asian countries have own adequate economic infrastructure and resources. In these circumstances, economic grouping is potential to South Asian nations for stabilizing financial markets, reducing imbalance trade volume in priority basis. South Asian Association for Regional Cooperation (SAARC) could be the focal instrument in this regard.

8.2 Political and Security Prospects

³ According to World Development Report, April 2002

⁴ See the report of Independent Group on South Asian Cooperation (IGSAC-II) "SAARC: Moving Towards Core Area of Co-operation" September 1993

Inter-state relations in South Asia are characterized by mistrust, mutual threat perceptions, confrontation and hostilities. However, the fact is that unless the big two of South Asia, India and Pakistan, reconcile their contentious issues amicably and harmoniously, the SAARC will go on with to suffer the impact of their conflict whose consequence absolutely would be upon the targeted purpose and goals set by the process itself. Needless to say the bilateral conflict has already threatened the security of the entire region that the smaller nations must now tell them in apparently. It is high time that the smaller and the weaker nations of the SAARC countries come together and impress upon the big-two to allow the process of regional cooperation to expand its activities that are all fortunately aimed at the betterment of the region as a whole and its poverty stricken population.

Member States of SAARC should take measures to strengthen the 'institutional framework' actively dealing with the multi-faced crisis of this region. Member states have to continue their joint endeavors for reducing all kinds of multi-causal crisis through 'collective manner' in South Asian context. However, it can be noted that, considering South Asian reality SAARC could play vibrant and effective role to promote regional cooperation and to maintain regional peace and stability of this region. But member countries have to be agreed on SAARC process and bilateral contentious issues have to be included within the mainstream activities of SAARC. In this above reasons, it can be realized that there is no alternative except South Asian Association for Regional cooperation (SAARC) for dealing with collective security measure.

8.3 Environmental Prospects

The environmental settings of South Asia are increasingly drawbacks. Natural disasters and environmental hazards in South Asia are now in worst position. South Asians are increasingly aware of, and responsive to, the environmental challenges facing the region.⁵ 'Multi-lateral and co-operative' approach is urgently needed to reduce the environmental degradation in this region. All environmental disputes including water and river

⁵ See "South Asia and the United States: After the Cold War", A Study Mission, New York, 1994, The Asia Society, p. 26

management have to be settled mutually and multilaterally. In this perspective, South Asian Association for Regional Cooperation (SAARC) can play pivotal and key role. There already have taken some measures for this regard but these initiatives are inadequate in terms of necessity.

8.4 Prospects of Multilateral Problem Solving Approach

South Asia is under pressure with various multi-faced bilateral and multilateral disputes. All pervasive poverty and illiteracy, in one hand, and war-like situation of India and Pakistan and internal ethnic and communal problem of several countries, in other hand, impedes and threaten the development process of South Asia as a whole. In this context, a problem solving approach would be great panacea. It is also urgently needed to successfully tackle the biggest challenges facing the countries of South Asia. However, as SAARC is the regional organization of South Asian nations, it can play key mediator's role to settle the mutual and internal problem with the problem-solving manner.

Chapter Nine

Concluding Remarks

9.1 Summary of the Analysis

An objective diagnosis of achievements and limitations of SAARC process reveal mixed outcomes for the region. While critics argue that SAARC is a 'white elephant' or a failed organization, the others emphasize the contribution of this process for the regional peace and development. It must be argued that a regional organization cannot develop in isolation as an island. It is very much part of the political, economic and social processes of the region. Hence the performance of SAARC as a regional organization must be judged in a comparative and critical perspective. The future of SAARC is closely enmeshed with the socio-economic aspect of this region.

Geographically, South Asia has a good basis and potentialities for regional cooperation. The cross-cultural identities apart from social and economic interactions over the centuries have generated a sense of affinity, which is conducive to cooperation among this region's people.

It is being extensively received and accepted that the harmonization of interests among and between the regions of the world-over will lead to the conception of a minute democratically legitimized world economic order. It is also argued that different regions of the world have established effective and meaningful regional organizations in economic, trade and political fields in order to face the challenges of globalization. The global changes and domestic dynamics justify the importance of SAARC process in this region.

Of course, South Asia is a group of low-income countries among the developing world. These countries are striving to develop their economics through the planned economic development process. Most of them were former colonies of the British Empire. They have common cultural, religious and language heritages binding them with one another. Besides these, the natural factors such as Bay of Bengal, the Himalayas and

the Indian Ocean link them geographically. South Asian countries face the problems of hunger, diseases, and conflicts, they all require to speed up their development efforts to meet the basic needs of the people and to improve their quality of life. These and some other factors indicate the need for regional cooperation among them.

Regional cooperation will reinforce and strengthen socio-economic and political development among South Asian countries. It will help consolidate the common desire of each country to live and let to live, strengthen friendship, minimize differences and secure their independence and sovereignty. Actually, it will be the beginning of establishment of a new economic and political order in South Asia.

The costs and benefits of regional cooperation must to be vigilantly and carefully reviewed. Unless gains from each country exceed the losses, there will be little possibility of forging cooperation. Regional cooperation could act as a mechanism for South Asia's economic development through better prospect for foreign aid and domestic investment, including joint venture, diversification of foreign aid, opening up of new markets and opportunities for innovation and liberate of economic factors.

Undoubtedly, the limitations and impediments to South Asian regional cooperation are many-fold. The most important factors hindering regional cooperation are the Indo-Pak rivalry relations, inadequate institutional measures, chronic poverty, mistrust and suspicion to each other and lacking of people centric development-oriented programme. It is also a factor of impeding the regional cooperation is the meager knowledge about each other country in regard to their needs, perceptions and sensitivities. This ignorance has led to the lack of interest and interactions in promoting regional cooperation.

In reality, impediments must not put off regional cooperation initiatives. Quite efforts have to make to rotate these impediments into significant opportunities and prospects. There should be developed a long-term perspective to regional cooperation. All initiatives should be based on adequate research and homework. Sufficient implementing modalities and mechanism should back up them.

Considering changing demands of situation, SAARC has constituted several institutional frameworks, like; SAARC Preferential Trading Arrangement (SAPTA), SAARC food security Reserve (FSR), SAARC Regional Convention on Suppression of Terrorism (SRCST) SAARC Convention on Narcotic Drugs and Psychotropic Substance (SCNDPS), South Asian Free Trade Area (SAFTA) for reducing obstacles and enhancing opportunities in respective areas. But implementation ratio is very much slow and time-consuming. In this regard, consensus and shared commitment on various issues have been developed.

9.2 A tentative Recommendations

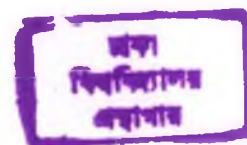
It is stated in the Charter that SAARC was launched with the sole objective of promoting the well being of the peoples of the region through cooperative programmes and optimum utilization of available resources and complementarities in the region. The initial years of this regional organization were focused mainly on institution building, regularizing meetings at various levels and identifying areas of cooperation ranging from agriculture to meteorology, arts, culture and sports.

As SAARC moved into the core economic areas of cooperation such as poverty alleviation and preferential arrangements for intra-regional trade, it marked the beginning of a substantive phase in regional cooperation in South Asia. A wide-ranging Report prepared by the Independent South Asian Commission on Poverty Alleviation was approved by the Dhaka Summit in 1993. It calls upon each member state to implement a pro-poor development-oriented plan at the national level. A three-tier mechanism has also been set up at the regional level to facilitate the sharing of individual experience of each member state and is required to meet on a regular basis to monitor and coordinate the sharing of experience. However, according to my study on **"The Success and Failure of the South Asian Association for Regional Cooperation (SAARC): An Analysis (1985-2000)**, I would like to present a recommendation to overcome the prevailing impediments and for future direction from the South Asian Context.

- **'Intensive political will'** is highly desired to move the process of regional cooperation to the front in South Asia.
- **Cohesive, result-oriented, and forward-looking strategy** is needed to adopt and implement on various socio-economic issues of South Asian countries.
- The disputes among SAARC countries need to be tackled effectively. In this regard the Charter of SAARC need to reform on the basis of mutual understanding of member countries. **Bilateral** issues but **'multi-lateral approach'** is preferable to resolve the mutual disputes and disparities.
- Need to strengthen **institutional capacity, surveillance mechanisms** through closer consultations on, and coordination of, **macroeconomic policies** where appropriate in South Asian point of view.
- **Tangible and Concrete** efforts should be made to transform South Asia into a peaceful, conflict free and prosperous region.
- Need to build up **problem solving framework** and **taking common positions** on issues of shared interests at the international forum.
- It is necessary to re-invent SAARC's regional agenda in the new era of multi-polarity and globalization. Enhancing dialogue between the countries of South Asia, thus improving mutual understanding, would be a feasible way to end the unstable situation.
- There is great potential to increase trade volume and broaden economic cooperation. There should create flattering environment for the free movement of goods, commodities and labor.
- **'Institutionalization of Summits and Council of Ministers'** is urgently needed to proceed. The decisions of the Summits must be practiced with high esteem among the member countries.

- Need to liberalize the FDI policies and adoption of generally more **out-ward-oriented** policies within the SAARC framework.
- Need of a new paradigm of development that would put the people at the center of development. That is '**human-centric development approach**'.
- There need to build a network of '**infrastructure linkages**' both from extra-regional and intra regional dimension in South Asia.
- In the essence of political globalization, SAARC need to give emphasize on **Confidence Building Measures (CBMs)** from different dimensions of South Asian context.
- Need to build '**communication network**' at civil society level aimed at fostering better understanding of people in South Asia.
- SAARC programmes, whether they relate to poverty alleviation or preferential trade, must be **result-oriented** if they are intended to benefit each member state in the region, in particular the teeming millions who live below the poverty line.
- Suitable policy dialogues needs to be engendered preferably through a conference attended by leading personalities from different segments of society concerned with regional cooperation.
- To promote an **appropriate policy dialogue**, it is indispensable to make a critical assessment of regional cooperation in South Asia and to have an in-depth discussion on the finding of such assessment.
- Need to promote greater '**inter-governmental,**' '**inter-institutional**' and '**inter-people**' understanding among the member countries of SAARC.
- Need to foster links between SAARC and other regional organization and international.

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- Facilitate regional **confidence building measures** and '**inter-state dialogue**' to address long-standing disputes of member states.
- Need to arrange periodic, perhaps annual, '**security consultative**' meeting on bilateral issues among South Asian countries.

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Appendix-1

CHARTER OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

We, the Heads of State or Government of BANGLADESH, BHUTAN, INDIA, MALDIVES, NEPAL, PAKISTAN and SRI LANKA;

1. **Desirous** of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the UNITED NATIONS CHARTER and NON-ALIGNMENT, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of all disputes;
2. **Conscious** that in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the SOUTH ASIAN region by fostering mutual understanding, good neighbourly relations and meaningful cooperation among the Member States which are bound by ties of history and culture;
3. **Aware** of the common problems, interests and aspirations of the peoples of SOUTH ASIA and the need for joint action and enhanced cooperation within their respective political and economic systems and cultural traditions;
4. **Convinced** that regional cooperation among the countries of SOUTH ASIA is mutually beneficial, desirable and necessary for promoting the welfare and improving the quality of life of the peoples of the region;
5. **Convinced** further that economic, social and technical cooperation among the countries of SOUTH ASIA would contribute significantly to national and collective self-reliance;
6. **Recognising** that increased cooperation, contacts and exchanges among the countries of the region will contribute to the promotion of friendship and understanding among their peoples;
7. **Recalling** the DECLARATION signed by their Foreign Ministers in NEW DELHI on August 2, 1983 and **noting** the progress achieved in regional cooperation;
8. **Reaffirming** their determination to promote such cooperation within an institutional framework;

DO HEREBY AGREE to establish an organisation to be known as SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION hereinafter referred to as the ASSOCIATION, with the following objectives, principles, institutional and financial arrangements:

Article I

OBJECTIVES

The objectives of the ASSOCIATION shall be:

- a) to promote the welfare of the peoples of SOUTH ASIA and to improve their quality of life;
 - b) to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potentials;
 - c) to promote and strengthen collective self-reliance among the countries of SOUTH ASIA;
 - d) to contribute to mutual trust, understanding and appreciation of one another's problems;
 - e) to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
 - f) to strengthen cooperation with other developing countries;
 - g) to strengthen cooperation among themselves in international forums on matters of common interests; and
 - h) to cooperate with international and regional organisations with similar aims and purposes.
-

Article II

PRINCIPLES

1. Cooperation within the framework of the ASSOCIATION shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.
 2. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.
 3. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.
-

Article III

MEETINGS OF THE HEADS OF STATE OR GOVERNMENT

The Heads of State or Government shall meet once a year or more often as and when considered necessary by the Member States.

Article IV

COUNCIL OF MINISTERS

1. A Council of Ministers consisting of the Foreign Ministers of the Member States shall be established with the following functions:

- a) formulation of the policies of the ASSOCIATION;
- b) review of the progress of cooperation under the ASSOCIATION;
- c) decision on new areas of cooperation;
- d) establishment of additional mechanism under the ASSOCIATION as deemed necessary;
- e) decision on other matters of general interest to the ASSOCIATION.

2. The Council of Ministers shall meet twice a year. Extraordinary session of the Council may be held by agreement among the Member States.

Article V

STANDING COMMITTEE

1. The Standing Committee comprising the Foreign Secretaries shall have the following functions:

- a) overall monitoring and coordination of programme of cooperation;
- b) approval of projects and programmes, and the modalities of their financing;
- c) determination of inter-sectoral priorities;
- d) mobilisation of regional and external resources;
- e) identification of new areas of cooperation based on appropriate studies.

2. The Standing Committee shall meet as often as deemed necessary.

3. The Standing Committee shall submit periodic reports to the Council of Ministers and make reference to it as and when necessary for decisions on policy matters.

Article VI

TECHNICAL COMMITTEES

1. Technical Committees comprising representatives of Member States shall be responsible for the implementation, coordination and monitoring of the programmes in their respective areas of cooperation.

2. They shall have the following terms of reference:

- a) determination of the potential and the scope of regional cooperation in agreed areas;
- b) formulation of programmes and preparation of projects;
- c) determination of financial implications of sectoral programmes;

- d) formulation of recommendations regarding apportionment of costs;
- e) implementation and coordination of sectoral programmes;
- f) monitoring of progress in implementation.

3. The Technical Committees shall submit periodic reports to the Standing Committee.

4. The Chairmanship of the Technical Committees shall normally rotate among Member States in alphabetical order every two years.

5. The Technical Committees may, inter-alia, use the following mechanisms and modalities, if and when considered necessary:

- a) meetings of heads of national technical agencies;
- b) meetings of experts in specific fields;
- c) contact amongst recognised centres of excellence in the region.

Article VII

ACTION COMMITTEES

The Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two but not all Member States.

Article VIII

SECRETARIAT

There shall be a Secretariat of the ASSOCIATION.

Article IX

FINANCIAL ARRANGEMENTS

1. The contribution of each Member State towards financing of the activities of the ASSOCIATION shall be voluntary.

2. Each Technical Committee shall make recommendations for the apportionment of costs of implementing the programmes proposed by it.

3. In case sufficient financial resources cannot be mobilised within the region for funding activities of the ASSOCIATION, external financing from appropriate sources may be mobilised with the approval of or by the Standing Committee.

Article X

GENERAL PROVISIONS

1. Decisions at all levels shall be taken on the basis of unanimity.
2. Bilateral and contentious issues shall be excluded from the deliberations.

IN FAITH WHEREOF We Have Set Our Hands And Seals Hereunto. **DONE** In **DHAKA, BANGLADESH**, On This The Eighth Day Of December Of The Year One Thousand Nine Hundred Eighty Five.

Hussain Muhammad Ershad
PRESIDENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

Jigme Singye Wangchuk
KING OF BHUTAN

Rajiv Gandhi
PRIME MINISTER OF THE REPUBLIC OF INDIA
Maumoon Abdul Gayoom
PRESIDENT OF THE REPUBLIC OF MALDIVES
Birendra Bir Bikram Shah Dev
KING OF NEPAL

Muhammad Zia-ul-Haq
PRESIDENT OF THE ISLAMIC REPUBLIC OF PAKISTAN

Junius Richard Jayewardene
PRESIDENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

Appendix-2
FIRST SAARC SUMMIT
DHAKA
DECLARATION
SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION
DECLARATION

The Dhaka Declaration of the Heads of State or Government of the Member Countries of South Asian Association for Regional Cooperation issued on 8th December 1985.

INTRODUCTION

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the President of Pakistan and the President of Sri Lanka met in Dhaka on 7 and 8 December 1985.
2. The Heads of State or Government underscored the historic significance of their first ever South Asian Summit meeting. They considered it to be a tangible manifestation of their determination to cooperate regionally, to work together towards finding solutions towards their common problems in a spirit of friendship, trust and mutual understanding and to the creation of an order based on mutual respect, equity and shared benefits.
3. They recognized that periodic meetings at their level were central to the promotion of mutual trust, confidence and cooperation among their countries.
4. The Heads of State or Government reaffirmed that their fundamental goal was to accelerate the process of economic and social development in their respective countries through the optimum utilization of their human and material resources, so as to promote the welfare and prosperity of their peoples and to improve their quality of life. They were conscious that peace and security was an essential prerequisite for the realization of this objective.

5. The leaders of the South Asian countries reaffirmed their commitment to the UN Charter and the principles governing sovereign equality of States, peaceful settlement of disputes, non-interference in internal affairs and non-use or threat of use of force against the territorial integrity and political independence of other States. They reiterated that the United Nations constituted the most important forum for the resolution of all issues affecting international peace and security.

6. They also reaffirmed their deep conviction in the continuing validity and relevance of the objectives of the Nonaligned movement as an important force in international relations.

7. The Heads of State or Government acknowledged that the countries of South Asia, who constituted one-fifth of humanity, were faced with the formidable challenges posed by poverty, underdevelopment, low levels of production, unemployment and pressure of population compounded by exploitation of the past and other adverse legacies. They felt that, bound as their countries were by many common values rooted in their social, ethnic, cultural and historical traditions, regional cooperation provided a logical response to these problems. They were conscious of their individual and regional strengths, their potential as a huge market, their substantial human and natural resources and the complementarities of their economies. They were confident that with effective regional cooperation, they could make optimum use of these capacities for the benefit of their peoples, accelerate the pace of their economic development and enhance their national and collective self-reliance. They were convinced that their countries, which had made important contributions to the enrichment of human civilization, could together play their due role in international relations and influence decisions which affected them.

8. The Heads of State or Government emphasised that strengthening of regional cooperation in South Asia required greater involvement of their peoples. They agreed to increase interaction and further promote people-to-people contacts at various levels among their countries. To this end, they decided to take steps to create awareness and public opinion in the region.

9. The Heads of State or Government welcomed the progress already made in the implementation of the Integrated Programme of Action in the nine mutually agreed areas. They expressed their desire to consolidate and further expand cooperative efforts within an appropriate institutional frame work in a spirit of partnership and equality.

10. The leaders were convinced that they could effectively pursue their individual and collective objectives and improve the quality of life of their peoples only in an atmosphere of peace and security. In this context, they expressed concern at the deteriorating international political situation. They were alarmed at the unprecedented escalation of arms race particularly in its nuclear aspect. They recognized that mankind today was confronted with the threat of self extinction arising from a massive accumulation of the most destructive weapons ever produced. The arms race intensified international tension and violated the principles of the UN Charter. The leaders called upon the nuclear weapons-states for urgent negotiations for a comprehensive Test Ban Treaty leading to the complete cessation of testing, production and deployment of nuclear weapons. In this connection, they welcomed the recent meeting between President Reagan and General Secretary Gorbachev in Geneva and expressed the hope that the meeting would have a positive effect on international peace and security.

11. The Heads of State or Government expressed deep concern at the continuing crises in the global economy. They underscored that deteriorating economic and social conditions had seriously retarded developing countries. Sharply falling commodity prices, deterioration in the terms of trade, intensification of protectionist measures, spiralling debt burden and a decline in the flow of external resources, especially concessional assistance, had caused a serious setback to the economic development of the developing countries. These had been compounded by natural disasters and precarious world food security situation affecting developing countries. They also expressed concern over the diminishing capacity of international financial and technical institutions to respond effectively to the needs of the disadvantaged and poorer countries and regretted

that the spirit of multilateral cooperation had begun to falter and weaken. This was particularly disturbing in the face of increased interdependence of developed and developing countries and the fact that economic revival of North was closely linked to economic progress in South. They believed that developments during the past decades had clearly demonstrated the structural imbalances and inequities inherent in the existing international economic system and its inadequacy to deal with problems of development.

12. They strongly urged that determined efforts should be made by the international community towards realization of the goals and targets of the International Development Strategy as well as the Substantial New Programme of Action for the Least Developed Countries. They called for urgent resumption of the North-South dialogue and early convening of an International Conference on Money and Finance for Development with universal participation.

13. The Heads of State or Government were conscious of the historic importance of the Dhaka Summit and reiterated their conviction that the launching of the South Asian Association for Regional Cooperation (SAARC), which they had established at this meeting, would place regional cooperation on a firm foundation, play an important role in accelerating the pace of economic and social development of their countries, promote the objectives of individual and collective self reliance and further the cause of peace, progress and stability in their region and the world.

14. The Heads of State or Government of Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka were deeply appreciative of the exemplary Chairmanship of their Meeting by the President of Bangladesh. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and the people of Bangladesh and for the excellent arrangements made for the meeting.

JOINT PRESS RELEASE

Joint Press Release Issued at the Conclusion of the First SAARC Summit in Dhaka on 7-8 December 1985 The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the President of Pakistan and the President of Sri Lanka met in Dhaka on 7 and 8 December, 1985.

The Heads of State or Government signed a Charter of the South Asian Association for Regional Cooperation on the 8th of December, 1985. They also adopted the Dhaka Declaration. They approved that the Standing Committee should set up a Study Group to examine the problem of terrorism as it affects the security and stability of Member States of SAARC. They further directed the Council of Ministers to consider the report of this Study Group and submit recommendations to them as to how best the Member States could cooperate among themselves to solve this. They also approved that a similar exercise be carried out with regard to the problem of drug trafficking and abuse. They decided that the Member Governments should concert their views on the ongoing discussions on New International Economic Order and the improvement of the World Trading System through GATT taking particularly into account the interest of the least developed among the developing countries. For this purpose it was decided to convene a Ministerial level meeting. The Standing Committee should convene a meeting to prepare for it. The Heads of State or Government gratefully accepted the offer of the President of Pakistan to host both these meetings. The Heads of State or Government emphasized that women should increasingly participate in activities at the regional level within the framework of SAARC and that Programmes and Projects should be devised to ensure their active participation in the development process. They therefore directed the Standing Committee to convene a Ministerial Level Conference on the subject to identify the areas of activities and plan a Programme of Action. They gratefully accepted the offer of the Prime Minister of India to host such a conference. The Heads of State or Government who have decided that the Association shall have

a Secretariat directed the Foreign Ministers to consider details regarding its location, structure, functions and financing and submit those for the consideration of Heads of State or Government. The Heads of State or Government decided to hold their next meeting in November, 1986. They gratefully accepted the offer of the Prime Minister of India to host that meeting. They also gratefully accepted the offer of the King of Bhutan to host the Annual SAARC Summit of 1987. The Heads of State or Government unanimously accepted the recommendation of the Fourth Meeting of Foreign Ministers on the emblem of SAARC.

Appendix-3

SECOND SAARC SUMMIT BANGALORE

*SOUTH ASIAN ASSOCIATION
FOR REGIONAL COOPERATION*

DECLARATION

The Bangalore Declaration of the Heads of State or Government of the member countries of the South Asian Association for Regional Cooperation issued on November 17, 1986.

INTRODUCTION

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka assembled at the second SAARC Summit in Bangalore on 16 and 17 November, 1986.

2. The Heads of State or Government reiterated their desire of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the United Nations Charter and Non-alignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of disputes.

3. The Heads of State or Government reaffirmed the will of their peoples and Governments to work together in accordance with the SAARC Charter to devise common policies and approaches for finding common solutions to the shared problems that all of them face. They stressed that mutual trust, goodwill and understanding must animate their cooperative effort under SAARC. Progress and prosperity in each country would redound to the benefit of others. This was what constituted the SAARC spirit.

4. The leaders reaffirmed that the principal goal of SAARC was to promote the welfare of the peoples of South Asia, to improve their quality of life, to accelerate economic growth, social programmes and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential.

5. The Heads of State or Government recalled that the countries of South Asia had been linked by age-old cultural, social and historical traditions. These had led to enriching interaction of ideas, values, culture and philosophies. These commonalities constituted solid foundations for regional cooperation for addressing more effectively the economic and social problems.

6. The Heads of State or Government recalled that the South Asian Association for Regional Cooperation was the most populous regional grouping in the world. The countries of the region had large, rich and varied human and natural resources. They expressed their determination to achieve the optimum utilization of these resources by intensifying their cooperation, bearing in mind the immense present and potential complementarities among their economies. They recognised that this would require increasing exchange among their countries, on the basis of mutual benefit, of ideas, experience and technology as well as goods and services, which utilize and enhance the productive capacity of each of their countries and build their collective self reliance. They were convinced that the countries of South Asia which had been the cradle of human civilization and culture could, acting together co-operatively and cohesively, once again play their due role in the comity of nations.

7. The Heads of State or Government reiterated the great importance of the increasing involvement of the people for ensuring the success of regional co-operation. They emphasized the need for promoting greater contacts among the peoples of the region through such action as regular and frequent interchange of scholars, academics, artists, authors, professionals and businessmen as well as facilitation of tourism

8. The Heads of State or Government noted with satisfaction that considerable progress had been achieved in the implementation of SAARC Integrated Programme of Action. They expressed their firm commitment to consolidate and streamline further the implementation of the IPA. They agreed that a progressive movement towards more concrete and action-oriented projects and programmes was essential to ensure more tangible benefits from SAARC to the peoples of the region. The Heads of State or Government emphasized the importance of expanding cooperative endeavours under SAARC. They welcomed the establishment of the Technical Committees on Women in Development, and on the Prevention of Drug Trafficking and Drug Abuse.

9. The Heads of State or Government welcomed the signing of the Memorandum of Understanding on the establishment of the SAARC Secretariat by the Council of Ministers and their decision to locate the Secretariat in Kathmandu and appoint Ambassador Abul Ahsan of Bangladesh as the first Secretary-General of SAARC. They were convinced that the establishment of the Secretariat would assist in the coordination of SAARC activities and more fruitful implementation of its programmes and projects.

10. The Heads of State or Government recognised that meeting the needs of all children was the principal means of human resources development. Children should, therefore, be given the highest priority in national development planning. The Heads of State or Government underlined the importance of enhancing public consciousness and building a national political consensus on the rights of the children. In this context they called for an early conclusion and adoption of the UN Convention on the Rights of the Child. They subscribed to the goals of universal immunization by 1990, universal primary education, maternal and child nutrition, provision of safe drinking water and adequate shelter before 2000 A. D. They also believed that it should be possible to ensure at the end of the century, that no child need die or be denied development, for reasons of material poverty in the family. They directed the Standing Committee to undertake annual reviews

of the situation of children in the SAARC countries, monitoring of programmes and exchange of experience.

11. The Heads of State or Government agreed that co-operation among SAARC States was vital if terrorism was to be prevented and eliminated from the region. They unequivocally condemned all acts, methods and practices of terrorism as criminal and deplored their impact on life and property, social economic development, political stability, regional and international peace and co-operation. They recognized the importance of the principles laid down in UN Resolution 2625 which among others required that each State should refrain from organizing, instigating, assisting or participating in acts of civil strife or terrorist acts in another State or acquiescing in organized activities within its territory directed towards the commission of such acts.

12. The Heads of State or Government expressed their concern at the crisis facing the United Nations system. They reiterated their deep commitment to the purposes and principles of the United Nations Charter and their support for and faith in the United Nations as the most important international forum for addressing issues of peace, disarmament and development and an essential instrument for bringing about justice and equity in international political and economic relations. They resolved to concert their efforts in all multilateral fora within the United Nations system to preserve and strengthen the Organisation and to prevent erosion of its role, functions and principles.

13. The Heads of State or Government reiterated their deep commitment to the principles and objectives of the Non-aligned Movement and underlined the historic role the Movement had been playing in strengthening international peace, promoting development, establishing equitable and just economic relations and strengthening international co-operation in all fields. The success of the Harare Summit of the Non-aligned countries was yet another demonstration of the strength and unity of the Movement and the increasing respect that it had come to command in the international community. They affirmed full support for the decisions adopted at the Summit and called for their early implementation.

14. The leaders of the South Asian countries were convinced that an environment of peace, security and respect for international law was essential for their growth and stability. Unfortunately, this environment had become increasingly adverse for the pursuit of their cherished goals. The international political scene was marred by strife and tension due to Great Power policies and practices of domination and intervention as well as the increased resort to the threat or use of force, aggression, occupation, pressure, economic coercion and interference in flagrant violation of the principles and purposes of the Charter of the United Nations. The arms race, particularly the nuclear arms race, had escalated to a point where it jeopardizes the most fundamental of all human rights - the right to live.

15. The Heads of State or Government noted with deep disappointment that the promise held out by the Reykjavik Summit could not be realized. They, however, noted with satisfaction that the proposals made at the Summit were still on the table. They expressed the earnest hope that the negotiations would be resumed without delay so that a decisive step could be taken towards realizing the ultimate goal of eliminating nuclear weapons altogether. The Heads of State or government called for the early conclusion of a Comprehensive Test Ban Treaty.

16. The Heads of State or Government were deeply concerned that the world economy continued to be in the throes of crisis, with particularly harsh and severe consequences for the economies and development prospects and aspirations of the developing countries. They endorsed the Declaration of the SAARC Ministerial Meeting on International Economic Issues held in Islamabad and its analysis of the exceptionally adverse external economic environment which retards the development of the South Asian and other developing countries. These negative factors include depressed commodity prices, rising protectionism, global recession, lower export earnings, net outflow of financial resources from developing countries and an aggravated debt crisis.

17. The Heads of State or Government noted that the rates of growth in the developed countries had turned out to be much lower than what was earlier

projected and that the projection for future growth in these countries was not at all encouraging. They expressed their concern at the implications of these trends for the development prospects of the developing countries. They welcomed the recent recognition by the developed countries that the chronic problems of massive payment imbalances, high interest rates, unstable exchange rates and high unemployment are structural in nature. In view of global interdependence, the co-ordination of macro-economic policies, contemplated at the Tokyo Summit of the seven major industrialized countries, cannot be effective in achieving sustained global economic growth unless it encompasses the developing countries.

18. The leaders urged that the recent retreat from multilateralism should be urgently reversed through a revival of the North-South dialogue which is responsive to the changed circumstances in the world economy. This must include a process of reform of monetary and financial system, through an International Conference on Money and Finance for Development, and urgent measures for preserving and strengthening the multilateral trading system. In the search for revival of global growth, priority must be accorded to exploiting the vast potential for expanded production, consumption and trade which exists in the developing countries. In all these endeavours, high priority should be accorded to supporting the development of the least developed countries, in particular, through the full and effective implementation of the Substantial New Programme of Action for the Least Developed Countries for the 1980s.

19. The Heads of State or Government noted with satisfaction that at the SAARC Ministerial Meeting on International Economic Issues a number of priority objectives of the SAARC countries have been identified. These include: enlarged concessional assistance, the doubling in three years of the financial flows for the development of developing countries, amelioration of official debts, trade liberalization, especially in textiles and agriculture, commodity price stabilization, transfer of technology and special treatment for least developed SAARC countries. The Heads of State or Government agreed that the SAARC members

should closely and regularly consult and co-operate in relevant international economic conferences and institutions in order to promote the above mentioned objectives. They recognised that an important opportunity in this context would be provided by UNCTAD VII.

20. The Heads of State or Government were of the view that the forthcoming New Round of Multilateral Trade Negotiations posed a challenge for their countries as well as an opportunity to accelerate their development through the expansion of their exports. They underlined the importance of the effective implementation with immediate effect and continuance until the formal completion of the negotiations, of the commitment to observe a standstill on protectionist measures and to roll these back under multilateral surveillance. They also expected that the principles of transparency and differential and more favourable treatment for the developing countries would be applied systematically and in concrete terms in the negotiations. They decided to concert their positions in these negotiations with a view to deriving maximum benefits from them in accordance with their national objectives and priorities.

21. The Heads of State or Government expressed their conviction that the Bangalore Summit had helped in consolidating the gains of regional co-operation activities so far undertaken by SAARC while, at the same time, exploring new avenues and possibilities for such co-operation. The Bangalore Summit had made a significant contribution to strengthening and streamlining the institutional basis for such co-operation.

22. The Heads of State or Government reiterated their determination and will to expand and strengthen their co-operation under SAARC. They underlined their belief that SAARC reflected a resurgence of the South Asian consciousness which had inspired the peoples of this region over several millenia. The leaders expressed their deep conviction that South Asian regional co-operation would not only have a salutary effect on bilateral relations between the countries of the region, but also impart strength and stability to these relations.

23. The Heads of State or Government of Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka were deeply appreciative of the exemplary manner in which the Prime Minister of India discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and people of India and for the excellent arrangements made for the Meeting.

JOINT PRESS RELEASE

Joint Press Release Issued on November 17, 1986 at the End of the Second SAARC Summit, Bangalore.

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka met in Bangalore on 16 and 17 November, 1986.
2. They issued the Bangalore Declaration. A Memorandum of Understanding on the Establishment of the SAARC Secretariat was signed by the Foreign Ministers of the SAARC countries in their presence.
3. They welcomed the announcement by His Majesty's Government of Nepal that the Secretariat would be inaugurated in Kathmandu on 16 January, 1987. They decided that the first Secretary-General of the SAARC Secretariat, His Excellency Mr. Abul Ahsan, would assume charge of this office from that date.
4. They also considered several new ideas for expanding and strengthening the co-operative programmes under SAARC. While approving the following ideas in principle they directed that these be elaborated and concretized through expert level examination to be completed by March 1987, so that the reports there on could be considered at the next Meeting of the Council of Ministers :

- (a) A South Asian Broadcasting Programme covering both radio and television should be launched.

(b) In keeping with the emphasis that the Heads of State or Government have laid on people-to-people contacts concrete steps should be taken to facilitate tourism in the region, including facilities for limited convertibility of national currencies for tourists from SAARC countries.

(c) The Heads of State or Government emphasized the importance they attach to students, scholars and researchers in their countries having ready access to reliable and up-to-date information on technical, scientific and developmental matters. This need could be best met by a SAARC Documentation Centre as the repository of such information.

(d) The Heads of State or Government considered that it was essential to promote increasing cross-fertilization of ideas through greater interaction among students, scholars and academics in the SAARC countries. They, therefore, directed that a concerted programme of exchange of scholars be formulated and action taken for an early institution of SAARC scholarships, SAARC Fellowships and SAARC Chairs.

(e) The Heads of State or Government stressed that the idealism of youth must be harnessed for regional co-operative programmes. Nothing would be more conducive to the resurgence of South Asian consciousness than the involvement of the youth of each country with the development programmes of the other. An Organized Volunteers Programme should be established in SAARC under which volunteers from one country would be able to work in other countries in the fields of agriculture and forestry extension work.

5. The Heads of State or Government recalled that the planners of the SAARC countries had met in 1983. This had provided a useful opportunity for an exchange of ideas and experience in the formulation of development strategies and methods of plan implementation. They directed that another meeting of the planners of the SAARC member countries be convened at the earliest.

6. The Heads of State or Government took note of the recommendations of the Standing Committee on the financing of the institutional costs of regional

institutions. They decided that for regional institutions where all the Member States are directly involved and benefit, the formula proposed by the Standing Committee should be used. However, in the case of projects which affect only a certain number of Member States, the formula should be used as an indicative one, which could be suitably modified on the basis of consultations among the Member States.

7. The Heads of State or Government also decided that the next Meeting of the Council of Ministers would be held in India in May 1987. They directed that this Meeting should undertake a detailed review of the proposals for the establishment of regional institutions. The member countries which have undertaken to prepare concept papers, pre-feasibility or feasibility studies on these proposals, should complete them well before the convening of the Meeting. The SAARC Secretariat should establish and submit to the Ministers, an order of priority among these proposals having regard to their costs, benefits, readiness for implementation, and other relevant factors.

8. The Heads of State or Government gratefully accepted the offer of the King of Nepal to host the Third SAARC Summit in 1987.

9. They also accepted with gratitude the offer of the President of Sri Lanka to host the Fourth SAARC Summit in Sri Lanka in 1988.

Appendix-4
THIRD SAARC SUMMIT
KATHMANDU

DECLARATION

*SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION*

DECLARATION

The Kathmandu Declaration of the Heads of State or Government of the member countries of the South Asian Association for Regional Cooperation issued on November 4, 1987.

INTRODUCTION

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka assembled for the Third Summit of the South Asian Association for Regional Cooperation (SAARC) in Kathmandu on 2-4 November, 1987.

2. The Heads of State or Government recalled with pleasure the launching of SAARC which marked the beginning of a new era of regional cooperation for the promotion of peace and progress, mutual trust and goodwill in South Asia and underlined the importance of annual meetings at their level, as a prime mover, in consolidating and accelerating the pace and process of overall social, economic and cultural development in the region. They renewed their commitment to the SAARC Charter. They reiterated their desire of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the United Nations Charter and Nonalignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force

and non-interference in the internal affairs of other States and peaceful settlement of disputes.

3. The Heads of State or Government emphasized that a fundamental goal of SAARC was to promote the welfare of the peoples of South Asia and to provide them with the opportunity to live in dignity and realise their full potential. They were conscious of the formidable tasks ahead of eradicating poverty, hunger, disease, illiteracy and unemployment and alleviation of environmental degradation facing South Asia today. They were convinced that the peoples and governments of South Asia could, acting in unison, surmount these challenges.

4. The Heads of State or Government expressed their faith in and commitment to the principles and purposes enshrined in the United Nation Charter. They further believed that the United Nations has an important role to play in promoting universal trust, understanding and concerted actions for the attainment of lasting peace, global development and general disarmament. They reiterated their concern at the crisis facing the United Nations. They expressed their commitment to the multilateral negotiating process and called upon all states to help strengthen the UN system. They reaffirmed their belief that SAARC will reinforce this process by promoting South Asian cooperation.

5. The Heads of State or Government also reaffirmed their deep commitment to the principles and objectives of the Non-Aligned Movement. They underscored the validity of its philosophy and the historic role the Movement has been playing and continues to play in strengthening world peace and harmony as well as in promoting development with justice and equity. They also noted that institutionalization and strengthening of regional cooperation in South Asia had further nurtured the spirit of South-South cooperation on the basis of mutual respect, equity and common benefit. They expressed satisfaction over the result of the Ministerial Conference on Nonaligned Countries held in Pyongyang in June 1987 and urged the Non-aligned and other developing countries to take action to implement effectively the Pyongyang Declaration and Plan of Action on South-South Cooperation.

6. The Heads of State or Government recognised that the external environment had a critical bearing on the development of the economies of the South Asian Region. They noted with deep concern that growth in the world economy had again slowed down with adverse consequences for South Asia and other developing countries, especially for the least developed and landlocked countries. They observed that equitable participation of the developing countries in international trading and economic systems and in arrangements for the coordination of global macro economic policies was essential for enhancing prospects and performance of the world economy.

7. The South Asian leaders noted that the world economy had long suffered from a structural disequilibrium. The pace of global economic expansion had further slowed down. The downward trend in commodity prices had continued. The net export earnings had fallen aggravating payment imbalances in developing countries. The terms of trade had further deteriorated with enormous losses to developing countries. At the same time, the diminishing financial flows to developing countries remained unchanged with contraction in new lendings and growing burden of debt servicing. In fact there had been a reverse flow of resources from developing to developed countries. The trade conflicts had also sharpened with the rise of protectionism thus further weakening the international trading system and eroding the principle of special and differential treatment in favour of developing countries.

8. The Heads of State or Government reiterated the urgent need for resumption of North-South Dialogue with a view to promoting coordinated actions by developed and developing countries to channel trade surpluses for development, revive growth in flagging economies, overcome debt difficulties, expand export access to the developing countries and stabilise commodity prices, regulate capital flows and exchange rates more closely, and provide emergency relief and assistance to the poorest countries. They called for an early convening of the International Conference on Money and Finance for Development. They also stressed the need for preserving and liberalizing the multilateral trading system

with renewed efforts both within and outside the GATT Uruguay Round of Multilateral Trade Negotiations. They also underscored the importance of the developed countries fully respecting the commitments made in Punta del Este on "standstill and rollback" and called for the early and effective implementation of this commitment. The Heads of State or Government also reviewed the outcome of UNCTAD VII. They hoped that UNCTAD would play an increasingly effective role in promoting harmonious and equitable international economic relations.

9. The Heads of State or Government reaffirmed the need for special measures in favour of the least developed countries in order to strengthen their resource capabilities and structural transformation and urged the international community, in the light of recent decisions at UNCTAD VII, to speed-up tangible assistance including increased resource flows to these countries within the framework of the Substantial New Program of Action (SNPA) for the Least Developed Countries for 1980s.

10. The Heads of State or Government expressed concern at the deteriorating international political environment which was due to great power policies and practices of domination and intervention as well as the increased resort to threat or use of force, aggression, occupation, pressure, economic coercion and interference in violation of the principles and purposes of the Charter of the United Nations. These destabilising measures were creating a climate detrimental to the policies of peace, goodwill, stability, prosperity and respect for each other.

11. The Heads of State or Government believed that the escalation in military expenditure was a major constraint on world development. In this regard they noted that the UN Conference on Disarmament and Development had clearly established a link between disarmament and development and had provided a valuable frame work for future action in this vital area.

12. They welcomed the understanding reached between the United States and the Soviet Union on Intermediate Nuclear Forces. This should be a precursor of

further accords between them to reduce drastically their strategic nuclear missiles and to refrain from extending the arms race to Outer Space. They called for the early conclusion in the Geneva Conference on Disarmament of a Comprehensive Test Ban Treaty and a Convention to Ban Chemical Weapons. They declared their intention to continue their efforts to contribute to the realisation of the objective of halting the nuclear arms race and eliminating nuclear weapons. They declared their resolve to support every effort to conclude a treaty prohibiting vertical and horizontal proliferation of nuclear weapons.

13. The Heads of State or Government expressed their deep concern at the fast and continuing degradation of the environment, including extensive destruction of forests, in the South Asian region. They also noted that South Asia was afflicted with such natural disasters as floods, droughts, landslides, cyclones, tidal waves which have had a particularly severe impact recently, causing immense human suffering. At the same time they expressed concern over the danger posed by the global sea level rise and its effects on South Asian countries. These natural disasters and the degradation of the environment were severely undermining the development process and prospects of the member countries. They, therefore, decided to intensify regional cooperation with a view to strengthening their disaster management capabilities. They also decided to commission a study for the protection and preservation of the environment and to the causes and consequences of natural disasters in a well-planned comprehensive framework. They entrusted the Secretary-General with this task.

14. The Heads of State or Government reaffirmed their conviction that the region being most populous in the world and having age-old socio-cultural links, rich and varied human and natural resources, offered immense scope and potential for regional cooperation and that the growing interaction among its people had added stimulus towards this end. They reiterated their determination to pursue their individual and collective efforts for the optimal utilisation of the vast human and untapped natural and other material resources.

15. The Heads of State or Government reviewed with satisfaction the progress made so far in the implementation of the SAARC Integrated Programme of Action and emphasised the need to further consolidate and streamline the process. They were conscious of the need to exercise greater discretion in the selection of activities in different sectors. They took note of the criteria and procedures relating to administrative structuring and financing of regional institutions endorsed by the SAARC Council of Ministers. They directed that the establishment of such regional institutions should proceed only after taking into account their viability and benefits to the member countries with due consideration to economy and efficiency.

16. The Heads of State or Government expressed satisfaction at the launching of the SAARC Audio Visual Exchange programme coinciding with the opening of the Third SAARC Summit in Kathmandu. While taking note of the dates for the institution of the SAARC Chairs, Fellowships and Scholarships and the commencement of Organised Tourism among SAARC member countries, they directed that the schemes for the SAARC Documentation Centre and the SAARC Youth Volunteer Programme be implemented at the earliest.

17. The Heads of State or Government noted with satisfaction the signing of the Agreement establishing a South Asian Food Security Reserve and expressed confidence that this will provide a much-needed cushion against food shortages and scarcity situations in the region.

18. The Heads of State or Government expressed happiness at the signing of the SAARC Regional Convention on Suppression of Terrorism and considered it a historic step towards the prevention and elimination of terrorism from the region. In this regard, they also reiterated their unequivocal condemnation of all acts, methods and practice of terrorism as criminal and expressed their abhorrence of their impact on life and property, socio-economic development, political stability, regional peace and cooperation.

19. The Heads of State or Government reaffirmed their agreement to expand SAARC activities in other concrete areas of cooperation in order to ensure more tangible benefits from SAARC to the peoples of the region. They were convinced that regional cooperation could be consolidated and expanded on the basis of growing regional complementarities and inter dependence. They believed that the SAARC long-term perspective should, therefore, focus on measures to expand and strengthen such areas of regional complementarities and interdependence not only through formulation and implementation of more concrete and action-oriented programmes but also through coordination of national policies and approaches for finding common solutions to their common problems.

20. The Heads of State or Government welcomed the first annual review of the Situation of Children in the SAARC member countries. They reiterated their commitment made in the Bangalore Declaration to accord highest priority to the needs of children in national development planning and emphasised that more intensified action should be taken for the welfare and well-being of children. They further reiterated their call for an early conclusion and adoption of a United Nations Convention on the Rights of the Child.

21. The Heads of State or Government expressed their satisfaction at the establishment of the SAARC Secretariat in Kathmandu, strengthening further the process of regional cooperation in South Asia. They expressed their gratitude to His Majesty King Birendra Bir Bikram Shah Dev for most graciously inaugurating the SAARC Secretariat.

22. The Heads of State or Government were conscious of the aspirations of the peoples of South Asia to communicate and cooperate with each other at the people-to-people level. They recognised that academics, researchers, non-governmental organizations and others have an important role to play in promoting the SAARC spirit and giving impetus to regional programmes and projects. They further observed that the interest and enthusiasm so far demonstrated by the increased interactions and exchange of information at the

inter-governmental level should be capitalised and translated into tangible programmes and projects. They recognised the vast potential for the generation of friendship, goodwill and trust through interactions between the peoples which would foster harmonious relations in South Asia.

23. The Heads of State or Government expressed their deep conviction that the Kathmandu Summit has further consolidated the gains of SAARC and given a renewed thrust and direction to the future course of regional cooperation. They were also convinced that the Kathmandu Summit has helped to create an atmosphere conducive to strengthening this process, besides generating further goodwill and friendship among the member countries in the larger interest of the region.

24. The Heads of State or Government were conscious that SAARC should be increasingly oriented to the people's needs and aspirations so that the masses of the region could be drawn to a greater extent into the mainstream of SAARC activities. This, they firmly held, would help bring about a qualitative improvement in the general atmosphere of the region contributing to peace, friendship and cooperation in the areas.

25. The Heads of State or Government reiterated their firm commitment to the spirit and objectives with which the South Asian Association for Regional Cooperation was launched and reaffirmed their determination to work, individually and collectively, towards the attainment of these objectives.

26. The Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Pakistan and Sri Lanka were deeply appreciative of the exemplary manner in which His Majesty the King of Nepal discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by His Majesty's Government and the people of Nepal and for the excellent arrangements made for the Meeting.

JOINT PRESS RELEASE

Joint Press Release Issued on November 4, 1987 at the End of the Third SAARC Summit, Kathmandu.

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and President of Sri Lanka met in Kathmandu during November 2-4, 1987. Their meeting was marked by warmth, cordiality and mutual understanding.
2. They issued the Kathmandu Declaration providing a renewed thrust and direction to the future course of regional cooperation in South Asia.
3. They considered several issues of common concern, both regional and international, and assessed the overall progress in the context of SAARC objectives.
4. They expressed their happiness at the signing of the SAARC Regional Convention on Suppression of Terrorism and the Agreement establishing South Asian Food Reserve by the Foreign Ministers of the SAARC Member States in their presence. They firmly believed that the Convention and the Agreement constituted landmarks in their collective endeavours to eradicate terrorism and hunger from the region.
5. They declared their intention to initiate the process of dealing with the causes and consequences of natural disasters and decided to commission a study on natural disasters and the protection and preservation of the environment in a well planned and comprehensive framework. They entrusted the Secretary-General with this task.
6. They expressed their satisfaction with the progress achieved in the implementation of the Integrated Programme of Action in the eleven agreed areas of cooperation and also with the concrete programmes related to the Five New Ideas identified at the last Summit for expanding and strengthening cooperative programmes under SAARC.

7. They also reaffirmed their view that measures for expanding regional cooperation should be progressively carried out within a broad framework of long-term perspective and stressed, in particular, the need for further consolidation and rationalization of the on-going activities pursued within SAARC framework.

8. The Heads of State or Government emphasized the need for strengthening inter-governmental efforts with increased people-to-people cooperation and called for greater participation of the Non-Governmental Organizations (NGOs), including professional bodies in the private sector, in the process of promoting socio-economic and cultural development of South Asia as envisaged in the SAARC Charter, under the auspices of the SAARC Secretariat.

9. They further welcomed the establishment of the SAARC Secretariat in Kathmandu as well as the assumption of office by the SAARC Secretary-General with effect from 16 January, 1987 and considered these as important events in strengthening the institutional framework of regional cooperation in South Asia. They expressed their appreciation to His Majesty's Government of Nepal at the cooperation and assistance extended and facilities provided to the SAARC Secretariat.

10. The Heads of State or Government took note of the Report submitted by the Council of Ministers relating, inter alia, to administrative structuring and financing of regional institutions and directed that for economy and efficiency all sectoral programmes should justify the establishment of such regional institutions.

11. They instructed that in its examination of the question of the admission of new members and the grant of observer/guest status in the Association, the Standing Committee should also include the aspect of the establishment of relations with similar organisations.

12. They gratefully accepted the offer of the President of Sri Lanka to host the Fourth SAARC Summit in 1988 in Sri Lanka.

13. They also gratefully accepted the offer of the Prime Minister of the Islamic Republic of Pakistan to host the Fifth SAARC Summit in Pakistan in 1989.

14. The Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Pakistan and Sri Lanka were deeply appreciative of the exemplary manner in which His Majesty the King of Nepal discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by His Majesty's Government and the people of Nepal and for the excellent arrangements made for the Meeting.

Appendix-5

FOURTH SAARC SUMMIT ISLAMABAD

*SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION*

DECLARATION

The Islamabad Declaration of the Heads of State or Government of the Member Countries of South Asian Association for Regional Cooperation issued on 31st December 1988.

INTRODUCTION

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka met at the Fourth Summit of the South Asian Association for Regional Cooperation at Islamabad from 29-31 December, 1988.
2. The Heads of State of Government expressed their deep satisfaction at the progress achieved by the Association since the last Summit. They reiterated their commitment to the SAARC Charter and renewed their determination to cooperate in promoting the welfare of the peoples of South Asia and to improving their quality of life by eradicating poverty, hunger, disease, illiteracy, unemployment and environmental degradation.
3. They recalled that their countries were linked by cultural, social and historical ties and they had at their disposal substantial human and natural resources. They recognised that these provided a sound basis as well as immense opportunities for regional cooperation. They therefore expressed their determination to make optimal use of their resources for the benefit of their people by working jointly to pursue their shared objectives. They were aware that by acting in concert they could realise the full potential for regional progress, taking into account complementarities and growing inter-dependence.

4. The leaders endorsed the decision of the Council of Ministers that any country in the region subscribing to the objectives and principles of the SAARC Charter may be admitted as a member of the Association by a unanimous decision of the Heads of State of Government.

5. The Heads of State of Government expressed satisfaction at the progress so far made in the implementation of the SAARC Integrated Programme of Action. They underlined the need for closer cooperation in the activities undertaken under this programme. They took note of the measures to streamline and re-orient various SAARC activities to make them more action-oriented so as to improve the quality of life of their peoples. They directed that the Secretary General may submit recommendation to the Standing Committee which should in turn decide how to streamline SAARC activities and make them more effective. They welcomed the establishment of the SAARC Agricultural Information Centre (SAIC), as well as the steps being taken for the establishment of other regional institutions.

6. The Heads of State of Government lauded the smooth functioning of the SAARC Audio Visual Exchange (SAVE) Programme which had proved to be a useful medium for promoting a South Asian consciousness amongst the peoples of the region. They decided that SAVE Programmes should also emphasise social, economic and technical themes. They also noted with satisfaction the successful launching of the Youth Volunteers Programme and the SAARC Chairs, Fellowships and Scholarships Scheme. They decided that Education may be included as an agreed area of cooperation.

7. The Heads of State of Government expressed satisfaction that the South Asian Food Security Reserve had become operational on 12 August 1988. The Reserve would serve as a cushion against food shortages and was a tangible manifestation of the spirit of cooperation in the region.

8. The Heads of State of Government noted with satisfaction that the SAARC Convention on Suppression of Terrorism had been ratified and had come into

effect on 22 August 1988, thus reflecting the sincere desire on the part of the Member States to enter into meaningful cooperation to eliminate the scourge of terrorism from the South Asian region. They called for the adoption of enabling measures by Member States to implement the Convention at the earliest.

9. The Heads of State or Government expressed grave concern over the growing magnitude and the serious effects of drug abuse, particularly among young people, and drug trafficking. They recognised the need for urgent and effective measures to eradicate this evil and decided to declare the year 1989 as the "SAARC Year for Combating Drug Abuse and Drug Trafficking". They agreed to launch a concerted campaign, as suited to the situation in their respective countries, to significantly augment SAARC efforts to eliminate drug abuse and drug trafficking. These included closer cooperation in creating a greater awareness of the hazards of drug abuse, exchange of expertise, sharing of intelligence information, stringent measures to stop trafficking in drugs and introduction of more effective laws. They directed that the Technical Committee concerned should examine the possibility of a Regional Convention on Drug Control.

10. The Heads of State or Government expressed their deep sense of sorrow and profound sympathy at the loss of valuable lives and extensive damage to property suffered during the year by Bangladesh, India, Nepal and Pakistan as a result of unprecedented floods, cyclones and earthquakes. In this connection, they recalled their earlier decision at Kathmandu in November, 1987 to intensify regional cooperation with a view to strengthening their disaster management capabilities and took note of the recommendations of the meeting of the SAARC Group of Experts on the Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment, that met in Kathmandu in July 1988. They expressed the conviction that identification of measures and programmes as envisaged by the Group of Experts would supplement national, bilateral, regional and global efforts to deal with the increasingly serious problems being faced by the region as a result of the

recurrence of natural disasters and the continuing degradation of the environment. They urged that the study should be completed in the shortest period of time so that it could provide a basis for the member countries to draw up an action plan for meaningful cooperation amongst the Member States. They decided that a joint study be undertaken on the "Greenhouse Effect" and its impact on the region.

11. The Heads of State or Government noted with satisfaction that modalities for studies to be carried out for cooperation in the areas of trade, manufactures and services had been worked out by a Group of Experts, which met in Islamabad recently. They emphasised the need for the completion of the studies within the agreed time schedule. They directed that the Fourth Meeting of Planners should examine the possibility of cooperation in agreed areas of trade, manufactures and services, which would promote the objectives of meeting the basic needs of the peoples of the region. The report of the Planners should be considered at the next Council of Ministers meeting, with a view to making specific recommendations to the next Summit.

12. The Heads of State or Government reviewed the progress on the Situation of Children in SAARC countries. They reiterated their commitment made in the Bangalore Declaration to accord the highest priority to the needs of children in national development planning and stressed that the concept of Human Resource Development should lay particular emphasis on the welfare and well-being of children, especially in the literacy and health spheres. They called for the conclusion and adoption of the UN Convention on the Rights of the Child in 1989. They decided to declare 1990 as the "SAARC Year of the Girl Child".

13. The Heads of State or Government noted with satisfaction the effective functioning of the SAARC Secretariat and its role in coordinating SAARC activities. They also noted that a Headquarters Agreement had been signed between the Secretariat and the host Government. They thanked His Majesty's Government of Nepal for the assistance and cooperation extended to the Secretariat.

14. The Heads of State or Government noted that the decision to involve regional NGOs or professional bodies in SAARC activities, taken at the Fifth Session of the Council of Ministers, pursuant to the direction given by the Kathmandu Declaration, was an important step towards the promotion of people-to-people contact which has always been emphasised by the Association.

15. The Heads of State or Government stressed the need for closer and more frequent contacts among the peoples of SAARC. As a beginning, they decided that Supreme Court Judges and Members of the National Parliaments of each member State would be entitled to a special SAARC travel document which would exempt them from visas. They further directed the Council of Ministers to examine what other categories of persons should be given this facility and to submit their recommendations.

16. They further noted with satisfaction the mandate given to the Secretary General by the Council of Ministers at its Fifth Session on the question of contacting organisations with similar aims and purposes.

17. The Heads of State or Government expressed their determination to give concrete shape to the objectives of SAARC. In this context they emphasised the need to progressively carry out SAARC activities within a broad framework of a long-term perspective and to harmonize their efforts to ensure tangible benefits to the peoples of South Asia as a whole. They were conscious of the fact that all South Asian countries faced problems in varying degrees in areas such as food, clothing, shelter, education, primary health care, population planning and environmental protection. Towards this end they were of the view that all Member States should identify areas of core interest in their national perspective plans or prepare such plans and consolidate them into a regional plan to be called "SAARC-2000 : A Basic Needs Perspective", with specific targets to be met by the end of the century.

18. They recognised that Human Resource Development is one of the means of realizing these objectives. In this context they welcomed the offer of the

Government of Pakistan to host a Centre for Human Resource Development and directed the Secretary-General to set up a Group of Experts from Member States to examine the proposal on the basis of a paper to be prepared by the Government of Pakistan and to submit its recommendations to the Standing Committee.

19. The Heads of State or Government reaffirmed their abiding commitment to the purposes and principles enshrined in the UN Charter, particularly those enjoining respect for the sovereign equality, territorial integrity and national independence, non-use or threat of use of force, non-interference in the internal affairs of other states and peaceful settlement of all disputes. They reiterated their faith in the United Nations as the most important forum for the maintenance of international peace and security and for the promotion of international cooperation aimed at the progress and prosperity of mankind.

20. The Heads of State or Government noted with satisfaction the relaxation of global tensions through intensified super-power dialogue on a broad range of international issues and welcomed the progress towards the resolution of protracted regional disputes and conflicts. They agreed that these developments had enhanced the prospects for disarmament, security, peace and progress for all peoples of the world. They appreciated the important role played by the United Nations in bringing about these positive changes in the international political environment. They also called upon all States to strengthen the capacity of the UN system in all respects to achieve the purpose of the UN Charter.

21. The Heads of State or Government reiterated their deep commitment to the principles and objectives of the Non-aligned Movement as an important force for strengthening world peace and harmony as well as for promoting development with justice and equity. In this context they expressed satisfaction over the results of the Ministerial Conference of the Non-aligned Movement held in Cyprus in September 1988 and expressed the hope the decisions of the Conference would contribute to the reduction of tensions and to the promotion of development. They hoped that the current discussions on the improvement in the methodology

of the Non-Aligned Movement would result in strengthening the movement and enable it to play its role with greater effectiveness.

22. The Heads of State or Government believed that the escalation in military expenditure was a major constraint on world development. In this regard they noted that the UN Conference on Disarmament and Development had clearly established a link between disarmament and development and had provided a valuable framework for future action in this vital area. They urged that resources saved through disarmament measures should be diverted in particular to developing countries for development.

23. They welcomed the agreement between the United States and the Soviet Union on Intermediate Nuclear Force. They hoped this would be a precursor to further accords to reduce strategic nuclear arsenals drastically and to prevent an arms race in Outer Space. They called for the early conclusion in the Geneva Conference on Disarmament of a Comprehensive Test Ban Treaty and a Convention to Ban Chemical Weapons. They declared their intention to continue their efforts to contribute to the realization of the objective of halting the nuclear arms race and eliminating nuclear weapons. They declared their resolve to support every effort to conclude a treaty prohibiting vertical and horizontal proliferation of nuclear weapons.

24. The Heads of State or Government noted with deep concern the continued structural disequilibrium from which the world economy had long suffered. This had resulted in slower growth in the developing countries, downward trends in commodity prices, decline in the net export earnings of the developing countries and deterioration in their terms of trade. These developments combined with the overwhelming debt burdens, the reverse financial flows from the developing to the developed countries and the sharp rise of protectionism in the developed world had further aggravated the economic difficulties of the developing countries.

25. The Heads of State or Government emphasised the interdependent character of the economies of the developed and the developing countries. They called for the resumption of the North-South dialogue with a view to restructuring the international economic system and to establishing the New International Economic Order based on justice and equity. They called for coordinated actions by the developed and the developing countries to increase the net flow of developmental assistance, overcome debt difficulties, expand the access of the developing countries to the markets in developed countries, arrest the deterioration in terms of trade of the developing countries and stabilize commodity prices.

26. The Heads of State or Government reiterated the need for preserving and liberalizing the multilateral trading system with renewed efforts both within and outside the Uruguay Round of Multilateral Trade Negotiations. They also underscored the importance of the developed countries fully respecting and implementing the commitments made in Punta del Este on "standstill and rollback" arrangements. They expressed concern that on account of differences between major trading entities on the question of agricultural subsidies, the Montreal Meeting on the midterm review of the Uruguay round was inconclusive. They particularly regretted that there was no progress in the negotiations on issues of major interest to developing countries such as trade in textiles and a Safeguard System. They were disappointed that on some of the issues of interest to developing countries on which there was agreement, particularly tropical products, it would not be possible even to implement the decisions taken, from the beginning of 1989 as envisaged. They emphasised that the development dimension must be taken into account in the negotiations on new issues, particularly services and intellectual property rights. They agreed to take concerted action to this end in the forthcoming negotiations.

27. The Heads of State or Government fully supported the call for the initiation of a comprehensive process for the preparation of an International Development Strategy for the Fourth United Nations Development Decade as well as the

proposal of the Group of 77 for convening a Special Session of the General Assembly in 1990 to revive growth and development in the developing countries.

28. The Heads of State or Government reemphasized the need for increased resource flows and special measures in favour of the least developed countries within the Framework of the Substantial New Programme of Action (SNPA) for these countries. They supported the convening of a high level United Nations Conference on the least developed countries in 1990 to review progress and formulate national and international policies and measures for accelerating the development process in the least developed countries during the 1990s, especially in order to help them achieve their long term socio-economic objectives.

29. The Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Nepal and Sri Lanka expressed their deep appreciation for the exemplary manner in which Prime Minister of Pakistan chaired the meeting. They expressed their profound gratitude for the excellent arrangements made for the meeting and for the warm and generous hospitality extended to them by the Government and the people of Pakistan.

Joint Press Release

Joint Press Release Issued on December 31, 1988 at the End of Fourth SAARC Summit, Islamabad.

1. The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka met at the Fourth Summit of the South Asian Association for Regional Cooperation at Islamabad from 29-31 December, 1988. The meeting was marked by an atmosphere of mutual understanding and spirit of accommodation.

2. The Heads of State or Government reaffirmed their commitment to the principles and objectives of the Association enshrined in the SAARC Charter and renewed their determination to work collectively towards the attainment of these objectives. They issued the Islamabad Declaration.
3. The Heads of State or Government were deeply shocked at the armed attack on the Republic of Maldives on 3rd November, 1988 aimed at destabilising the Government and taking over the country. They strongly condemned these acts of violence which disrupted the peace and security of a Member State. They expressed full solidarity with the Government of Maldives.
4. The Heads of State or Government expressed concern at the high incidence of drug production, trafficking and abuse. They decided to declare 1989 as the "SAARC Year Against Drug Abuse" in order to focus attention on drug-related problems facing the region. They called upon Members States to prepare and implement national programmes in this regard.
5. They welcomed the launching of SAARC Chairs, Fellowships and Scholarships schemes and the Youth Volunteers programme. They recognised that Education was one of the principal areas requiring urgent attention in the region and decided to include Education among the agreed areas of cooperation. For this purpose they decided to set up a Technical Committee and accepted the offer of Bangladesh to chair the Committee.
6. The Heads of State or Government agreed to launch "SAARC-2000-A Basic Needs Perspective" which calls for a perspective regional plan with specific targets to be met by the end of the century in areas of core interest such as food, clothing, shelter, education, primary health care, population planning and environmental protection. In this context they welcomed the offer of the Government of Pakistan to host a Centre for Human Resource Development and directed the Secretary-General to convene an Expert Group Meeting of member countries to work out modalities for the realization of "SAARC 2000 - A Basic Needs Perspective".

7. The Heads of State or Government welcomed the idea of holding South Asian Festivals from time to time and accepted the offer of India to host the first such festival.

8. The Heads of State or Government directed the Standing Committee to examine the desirability of establishing a regional body to promote cultural links among Member States.

9. They welcomed the coming into force of the SAARC Regional Convention on Suppression of Terrorism. They stressed the importance of the adoption of enabling measures at the national level that would be necessary in order to fully implement the provisions of the Convention.

10. They welcomed the Agreement regarding the establishment of a South Asian Food Security Reserve in August this year which marked a major breakthrough in the common endeavours of the Governments of member countries of SAARC to assist each other in food emergency situations.

11. The Heads of State or Government expressed their satisfaction at the progress achieved in the implementation of the Integrated Programme of Action (IPA). They recognised the need for focusing attention on more concrete and result-oriented activities within the SAARC framework.

12. They welcomed the establishment of the SAARC Agriculture Information Centre (SAIC) at Dhaka and were of the view that proposals for the setting up of regional institutions, focusing on problems of common concern in the region, should be given priority.

13. They reiterated their earlier commitment to accord priority to the needs of children in national development plans. They decided to declare 1990 as the "SAARC Year of the Girl Child" and directed that specific programmes and activities be undertaken to increase public awareness of the problems of the girl child.

14. They expressed satisfaction at the progress in the studies underway regarding the feasibility of cooperation in areas of trade, manufactures and services. In the meanwhile they directed the Secretary-General to convene a special meeting of the Group of Coordinators to identify any specific areas where cooperation may be feasible immediately. They directed that the report of the Group should be presented to the next sessions of the Standing Committee and the Council of Ministers.

15. The Heads of State or Government expressed profound sorrow at the natural disasters suffered by Bangladesh, Nepal, India and Pakistan in 1988 and urged that the study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment be completed in the shortest period of time so as to provide a rational basis for identifying areas keeping in view the potentials and possibilities of evolving a regional plan of action, particularly to strengthen disaster management capabilities and to protect and preserve the environment.

16. They expressed satisfaction at the concrete steps being taken for the implementation of the SAARC Audio Visual Exchange (SAVE) Programme. They directed that social, economic and technical themes should be given emphasis by the SAVE Programme.

17. Recalling the usefulness of the earlier Ministerial meeting on Women in Development held in India in 1986, the Heads of State or Government called for the holding of a second Ministerial level meeting and welcomed the offer of the Government of Pakistan to host the meeting.

18. They expressed satisfaction that pursuant to the direction given by the Kathmandu Declaration for enhancing people-to -people contact, concrete steps had been taken by including regional NGOs and professional bodies in SAARC activities.

19. They decided that any country in the region subscribing to the objectives and principles of the Charter may be admitted as a member of the Association by a unanimous decision of the Heads of State or Government.

20. The Heads of State or Government noted with satisfaction the effective functioning of the SAARC Secretariat and its role in coordinating SAARC activities. They appreciated the work of the SAARC Secretary-General in the discharge of his responsibilities and thanked His Majesty's Government of Nepal for the assistance and cooperation extended to the Secretariat.

21. The Heads of State or Government gratefully accepted the offer of the Government of Sri Lanka to host the Fifth SAARC Summit in Colombo in 1989.

22. The Heads of State or Government expressed their deep appreciation for the outstanding manner in which the Prime Minister of Pakistan had conducted the meetings as the Chairperson of the Fourth SAARC Summit. They also expressed profound gratitude for the gracious hospitality extended to them by the Government and people of the Islamic Republic of Pakistan and for the excellent arrangements made for the Conference.

Appendix-6
FIFTH SAARC SUMMIT
MALE
DECLARATION

*SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION*

The MALE Declaration of the Heads of State or Government of the Member Countries of Asian Association for Regional Cooperation issued on 23rd November, 1990.

1. The President of the People's Republic of Bangladesh, His Excellency Mr. Hussain Muhammad Ershad, the King of Bhutan, His Majesty King Jigme Singye Wangchuck, the Prime Minister of the Republic of India, His Excellency Mr. Chandra Shekhar, the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom, the Prime Minister of Nepal, The Right Honourable Krishna Prasad Bhattarai, the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Mohammad Nawaz Sharif and the Prime Minister of the Democratic Socialist Republic of Sri Lanka, His Excellency Mr. Dingiri Banda Wijetunga met at the Fifth Summit of the South Asian Association for Regional Cooperation at Male' on 21-23 November, 1990.

2. The Heads of State or Government reiterated that cooperation among the countries of South Asia was necessary for improving the quality of life of the peoples of the region. They recalled their conviction that the objectives of peace and stability in South Asia could be best served by fostering mutual understanding, cooperation and good neighbourly relations. They reaffirmed their commitment to the purposes and principles of the South Asian Association for Regional Cooperation and renewed their resolve to intensify cooperation under its aegis in pursuit of their common objectives.

3. The Heads of State or Government stressed their desire to promote peace, stability, amity and progress in the region through strict adherence to the

principles of the United Nations Charter and the Nonaligned Movement, particularly respect for the principles of sovereign equality, territorial integrity, national independence, nonuse of force, noninterference in the internal affairs of other States and peaceful settlement of disputes.

4. The Heads of State or Government expressed satisfaction that the launching of SAARC in 1985 and the initiatives under the Integrated Programme of Action for strengthening regional cooperation in South Asia had generated much enthusiasm and hope in their peoples, and that the South Asian consciousness necessary for the success of regional cooperation was gradually permeating the region. They reiterated their resolve to make optimal use of the positive forces of goodwill, trust and understanding existing among their peoples and to turn SAARC into a dynamic instrument for achieving its objectives and creating an order based on mutual respect, equity, cooperation and shared benefits.

5. The Heads of State or Government reviewed the status of children in South Asia and noted that the recent World Summit for Children had imparted a new impetus to the ongoing efforts in this field. They believed that relevant recommendations of the World Summit could be usefully incorporated into a Plan of Action in the South Asian context and its implementation should be reviewed annually. The guidelines for such Plan of Action could be prepared by a panel of experts to be appointed by the Secretary General and examined by the Technical Committee on Health and Population Activities. They also welcomed the adoption of the Convention on the Rights of the Child and its entry into force. They expressed the hope that those Member States, who have not already become party to the Convention, would do so at an early date.

6. The Heads of State or Government endorsed the recommendations made by the Second SAARC Ministerial Meeting on Women in Development held in Islamabad in June 1990. They noted with satisfaction the enthusiastic response in all Member States to their collective call for the observance of 1990 as the "SAARC Year of the Girl Child". They decided that in order to maintain focus on

the problems of the Girl Child, the years 1991-2000 AD should be observed as the "SAARC Decade of the Girl Child".

7. The Heads of State or Government noted with satisfaction the growing regional cooperation in combating the problems of drug trafficking and drug abuse. They expressed serious concern over the growing linkages between drug trafficking and international arms trade and terrorist activities. They agreed that observance of 1989 as the "SAARC Year for Combating Drug Abuse and Drug Trafficking" had had a profound impact in drawing attention to the menace and to the need for its elimination. They expressed satisfaction that following the decision of the Fourth SAARC Summit, the SAARC Convention on Narcotic Drugs and Psychotropic Substances had been signed at Male'. They urged the Member States to take early measures to ratify the convention for its entry into force. They were convinced that the Convention would help in making SAARC efforts in this area more effective.

8. They endorsed the decision of the Council of Ministers in regard to the timeframe for completion of the Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment. They noted with satisfaction that the methodology for undertaking the Study on the 'Greenhouse Effect' and its impact on the region was likely to be finalized in the near future and desired that the Study itself be completed for consideration at the Sixth Summit. In this context, they noted that the destruction of rainforests, the world over, was contributing significantly to adverse climatic changes and this aspect should also be covered in the proposed Study. They expressed the hope that these Studies would lead to an action plan for meaningful cooperation in the field of Environment and Disaster Management.

9. Recognizing that environment had emerged as a major global concern, the Heads of State or Government noted with alarm the unprecedented climatic changes predicted by the Intergovernmental Panel on Climate Change (IPCC). They urged the international community to mobilize additional finances and to make available appropriate technologies to enable the developing countries to

face the new challenges arising from climate changes and sealevel rise. They agreed that Member Countries should coordinate their positions at international fora on this issue. They also decided to observe 1992 as the "SAARC Year of Environment".

10. The Heads of State or Government noted with satisfaction that the national studies on Trade, Manufactures and Services had been completed. They underlined the need for expeditious action for completing the Regional Study within the timeframe stipulated by the Council of Ministers. They expressed the hope that it would open new avenues of cooperation for the prosperity of the peoples of the region.

11. The Heads of State or Government approved the recommendations of the Council of Ministers regarding Special SAARC Travel Document and decided to launch the scheme.

12. The Heads of State or Government expressed concern that Member States were compelled to divert their scarce resources in combating terrorism. They called for expeditious enactment of enabling measures for the implementation of the SAARC Regional Convention on Suppression of Terrorism. They also urged Member States to continue to cooperate in accordance with the Convention.

13. The Heads of State or Government noted that as their countries stood on the threshold of the next millennium, the world was undergoing profound transformations characterised by popular upsurge for democracy, liberty and exercise of human rights, lowering of ideological barriers and the relaxation of global tensions and progress towards disarmament and the resolution of a number of regional and global conflicts. There was also a welcome trend towards the opening up of the global economy and integration of national economies into the mainstream of the world economy. They further noted the trend of increasing integration of the pattern of global production, consumption and trade, growing multipolarity of the world economic structure and integration of the markets of the developed countries in order to maintain their technological lead and competitive

edge. These changes presented new challenges and opened up new opportunities to the South Asian countries, as to the rest of the developing world. The Heads of State or Government were convinced that their mutual cooperation can be a critical factor in enabling them to pursue these objectives more effectively.

14. The Heads of State or Government, noting the vital importance of biotechnology for the longterm food security of developing countries as well as for medicinal purposes, decided that cooperation should be extended to this field and, in particular, to the exchange of expertise in genetic conservation and maintenance of germplasm banks. In this connection, they welcomed India's offer of training facilities and agreed that cooperation in the cataloguing of genetic resources stored in different SAARC countries would be mutually beneficial. Taking note of the proposal made by the Group of Fifteen Developing Countries (G15) for the establishment of a gene bank for developing countries, they agreed to participate in this venture.

15. The Heads of State or Government welcomed the idea of setting up of a Fund for regional projects which could make available credit on easy terms for the identification and development of regional projects. They agreed that representatives of the national development banks of the Member Countries should get together to work out the precise modalities for the source of funds and the manner in which these could be related to joint venture projects. They accepted India's offer to host this meeting.

16. The Heads of State or Government regarded the recent developments in the Gulf as the most unfortunate aberration from the present trend of detente, cooperation and peaceful settlement of disputes. They reaffirmed their adherence to UN Security Council Resolutions on this issue. While emphasizing the need for a peaceful solution of the issue, they called for immediate and unconditional withdrawal of Iraqi forces from Kuwait and the restoration of its legitimate Government. They stated that the Gulf crisis had dealt a severe blow to their economies. They needed massive international assistance to

compensate the loss suffered by them due to a sharp decline in remittances, setback to their exports and severe strain on their balance of payments position imposed by increased oil prices. They recognized the potentiality of cooperation among themselves for mitigating the impact of these adverse consequences.

17. The Heads of State or Government noted with satisfaction that the initiative of the Government of the Maldives for the Protection and Security of Small States at the UN in 1989, which they all supported, had also received overwhelming support of the international community. They agreed that, because of their particular problems, small states merited special measures of support in safeguarding their independence and territorial integrity.

18. The Heads of State or Government expressed the hope that the talks between the two Super Powers on arms control would culminate in the conclusion of an agreement for substantial reduction in their nuclear arsenals leading to the total elimination of nuclear weapons. While welcoming the measures being considered for arms reduction at the global level, they were convinced that the objective could be best achieved through the promotion of mutual trust and confidence among the Member States. They underlined the inherent relationship between disarmament and development and called upon all countries, especially those possessing the largest nuclear and conventional arsenals, to rechannel additional financial resources, human energy and creativity into development. They expressed their support for the banning of chemical weapons and early conclusion of a Comprehensive Test Ban Treaty. In this context, they welcomed the convening of the UN Conference in January 1991 to consider amendments to the Partial Test Ban Treaty to convert it into a Comprehensive Nuclear Test Ban Treaty.

19. The Heads of State or Government expressed concern that the international economic environment for the developing countries had been characterised by negative resource flows, high trade barriers, serious external debt problems and high interest rates. The need of SAARC countries for increased concessional resources and technology as well as access to markets for their exports could

not, therefore, be under estimated. They called for collective efforts based on mutuality of interest and felt that regular NorthSouth consultations were essential for ensuring equitable management of global interdependence.

20. The Heads of State or Government recalled the usefulness of the First Ministerial Meeting on International Economic Issues held in Islamabad in 1986. They agreed that the second such Ministerial Meeting be held in India in 1991 to review the outcome of the Uruguay Round and to coordinate positions at international conferences including the U.N. Conference on Environment and Development, 1992.

21. Notwithstanding the continuing efforts on the international economic plane, the Heads of State or Government emphasised the pressing need for the Ministerial Meeting to address itself vigorously to the objective of selfreliance. They directed the Ministers to prepare a strategy for mobilising regional resources which would encourage and strengthen individual and collective self reliance in the region.

22. The Heads of State or Government expressed their support for the Paris Declaration (1990) and the Programme of Action adopted by the Second United Nations Conference on the Least Developed Countries. They called upon the international community to contribute to the successful implementation of the Programme of Action which is of special importance for the socioeconomic development of the region.

23. The Heads of State or Government recognized the imperative need for providing a better habitat to the peoples of South Asia through optimum utilization of indigenous technology, knowhow and material, and decided that 1991 be observed as the "SAARC Year of Shelter".

24. The Heads of State or Government noted that millions of disabled persons lived in the SAARC region and immediate action was required to reduce their sufferings and to improve their quality of life. They decided to observe 1993 as the "SAARC Year of Disabled Persons".

25. The Heads of State or Government were particularly happy that the Fifth SAARC Summit coincided with the Twenty Fifth Anniversary of the Independence of the Maldives which provided them with the opportunity to express their solidarity with the people and the Government of the Maldives. They expressed their conviction that the Male' Summit had helped in consolidating the gains of regional cooperation and in strengthening the institutional base of SAARC.

26. The Heads of State or Government gratefully accepted the offer of the Government of Sri Lanka to host the Sixth SAARC Summit in 1991.

27. The Heads of State or Government of Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka expressed their deep appreciation for the exemplary manner in which the President of the Maldives had discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and the people of the Maldives and for the excellent arrangements made for the Meeting.

Joint Press Release

Joint Press Release issued on 23 November 1990 at the end of the Fifth SAARC Summit, Male'.

The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of the Maldives, the Prime Minister of Nepal, the Prime Minister of Pakistan and the Prime Minister of Sri Lanka met at the Fifth Summit of the South Asian Association for Regional Cooperation at Male' from 21-23 November 1990. The Meeting was held in an atmosphere of warmth, cordiality and mutual understanding.

2. The Heads of State or Government reaffirmed their commitment to the principles and objectives of SAARC and reiterated their resolve to intensify cooperation under its aegis. They issued the Male' Declaration.

3. They welcomed the signing of the SAARC Convention on Narcotic Drugs and Psychotropic Substances by the Ministers at Male' and undertook to take early measures to ratify the Convention.
4. The Heads of State or Government decided to launch the Special SAARC Travel Document which would exempt its holders from visas for travel within the region. They decided that Supreme Court Judges, Members of the National Parliaments, Heads of national academic institutions, their spouses and dependent children would be entitled to this Document.
5. The Heads of State or Government endorsed the decision of the Council of Ministers to launch the Scheme for the Promotion of Organised Tourism during the first half of 1991. They also welcomed the proposal for institutionalised cooperation among the tourist industries of the Member States with a view to attracting more tourists from outside the region.
6. They noted with satisfaction that all Member States had completed their national studies on Trade, Manufactures and Services. They underlined the need for completing the Regional Study within the stipulated timeframe.
7. They decided that measures for establishing joint ventures in the field of cottage industries and handicrafts should be taken up forthwith to set a stage for promoting collective selfreliance in the region. They directed the SecretaryGeneral to appoint a group of 23 Experts selected from within the region, to prepare a paper suggesting the modalities for the setting up of joint ventures, sources of funding and other necessary details for consideration at the next meeting of the Council of Ministers.
8. The Heads of State or Government noted the proposal for the establishment of a SAARC Regional Fund and directed the Standing Committee to submit its recommendations on the proposal for consideration at the next session of the Council of Ministers.

9. The Heads of State or Government emphasized the importance of cooperation among the SAARC Member States in the field of mass media and directed the Secretary General to facilitate, under the auspices of SAARC, increased interaction among federations/associations of journalists, news agencies and mass media of the region.

10. The Heads of State or Government welcomed the decision authorizing the Secretariat to share information and exchange reports, studies and publications with the European Community (EC) and the Association of South East Asian Nations (ASEAN), to begin with, in the identified areas of cooperation.

11. The Heads of State or Government expressed satisfaction that the work was well under way for the setting up of a nucleus Centre for Human Resource Development in Pakistan. They were of the view that the Centre would contribute towards optimizing regional cooperation in this vital field.

12. They called for early completion of a regional plan "SAARC 2000 A Basic Needs Perspective" to facilitate activities within a broad framework of a long term perspective.

13. They directed that the theme of 'Poverty Alleviation' Strategies be discussed in depth by Planners for formulating suitable recommendations.

14. The Heads of State or Government decided that in order to maintain focus on the problems of the Girl Child the years 1991-2000 AD would be observed as the "SAARC Decade of the Girl Child". They were deeply moved by the SAARC Girl Child's appeal for love and care for them and their right to childhood. They reiterated their resolve that the welfare of the child in general and the girl child in particular, would figure at the top of their list of priorities.

15. The Heads of State or Government emphasized the importance of regular exchange of views among the representatives of the SAARC Member Countries at international economic fora with a view to concerting positions, as far as

possible, on matters of common concern. They decided to hold the Second Ministerial Meeting on International Economic Issues in India in 1991.

16. The Heads of State or Government underlined the imperative need for providing a better habitat to the people of South Asia and decided that in order to focus attention on the problems of the Homeless, the Year 1991 be observed as the "SAARC Year of Shelter". They decided that each country would organise a series of events on this theme and share their experiences in order that the people of the region could derive practical benefit from the "SAARC Year of Shelter".

17. They directed that the Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment and the Study on the 'Greenhouse Effect' and its impact on the region be finalized before the next Summit. They stressed that, pending the completion of the studies, Member States should take necessary steps at national levels in this vital field. They decided to observe 1992 as the "SAARC Year of the Environment".

18. The Heads of State or Government stressed that immediate action was required to reduce the sufferings of the millions of disabled people who lived in the SAARC region. In order to focus attention on their problems and to improve their quality of life, they decided to observe 1993 as the "SAARC Year of Disabled Persons".

19. They decided that appropriate programmes should be worked out for observing the SAARC Year of the Shelter 1991, the SAARC Year of the Environment 1992, and the SAARC Year of Disabled Persons 1993. In order to derive the maximum benefit and to sensitize the peoples in the region in the above vital fields, they noted that Sri Lanka, the Maldives and Pakistan respectively will circulate the recommended Plans of Action for implementation at national level.

20. The Heads of State or Government noted that SAARC Agricultural Information Centre (SAIC) was already functioning at Dhaka. They decided that the SAARC Tuberculosis Centre and the SAARC Documentation Centre would be set up in Nepal and India respectively. They directed that necessary steps to establish the two Centres should be taken up urgently.

21. The Heads of State or Government stressed the need for adopting a more businesslike and functional approach in the conduct of meetings held under the aegis of SAARC. They requested the Chairman of the Fifth SAARC Summit and the President of Bangladesh to initiate consultations with the Member States in this regard.

22. The Heads of State or Government directed the Chairman of Council of Ministers to prepare recommendations on rationalizing SAARC activities with a view to promoting effective functioning of the Association.

23. The Heads of State or Government expressed appreciation for the pioneering work done by Ambassador Abul Ahsan, the first SecretaryGeneral, during the formative years of the Secretariat. They welcomed his successor, Ambassador Kant Kishore Bhargava, and appreciated his valuable contribution to the ongoing activities of SAARC.

24. They expressed profound happiness that the Fifth SAARC Summit coincided with the TwentyFifth Anniversary of the Independence of the Maldives which provided them with an opportunity to express personally their solidarity with the people and the Government of the Maldives.

25. The Heads of State or Government gratefully accepted the offer of the Government of Sri Lanka to host the Sixth SAARC Summit in Colombo in 1991.

26. The Heads of State or Government highly appreciated the exemplary manner in which the President of the Republic of Maldives conducted the meetings of the Association as the Chairman of the Fifth SAARC Summit. They also expressed their sincere gratitude for the gracious hospitality extended to them by the

Government and the people of the Republic of Maldives and for the excellent arrangements made for the Conference.

Appendix-7

SIXTH SAARC SUMMIT

COLOMBO

DECLARATION

*SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION*

DECLARATION

The Colombo Declaration of the Heads of State or Government of the Member Countries of South Asian Association for Regional Cooperation issued on 21st December 1991.

INTRODUCTION

1. The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia; the King of Bhutan, His Majesty King Jigme Singye Wangchuck; the Prime Minister of the Republic of India, His Excellency Shri Narasimha Rao; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of Nepal, the Rt. Hon. Girija Prasad Koirala; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mian Mohammed Nawaz Sharif and the President of the Democratic Socialist Republic of Sri Lanka, His Excellency Ranasinghe Premadasa met at the Sixth Summit of the South Asian Association for Regional Cooperation (SAARC) at Colombo, Sri Lanka on 21st December, 1991.

2. The Heads of State or Government reaffirmed their commitment to the principles and objectives enshrined in the Charter of SAARC. They resolved to

promote regional cooperation for the benefit of their people, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States and in strict adherence to the principles of nonuse of force, the peaceful settlement of disputes and noninterference in each other's internal affairs. They also reiterated their commitment to the principles of the United Nations Charter and the Nonaligned Movement.

3. The Heads of State or Government emphasised the vital importance of assessing the nature and extent of international economic interdependence and of the need for reviving the North/South dialogue. They noted the recent developments that had radically transformed the international development relationship deeply affecting the prospects for the economies of the seven SAARC countries. The Heads of State or Government emphasised the need for vigorously promoting SouthSouth economic cooperation to offset the negative consequences of international economic developments.

4. The Heads of State or Government also exchanged views on the priorities of their respective national economies. They identified, for the further development of their economies, the importance of securing less restrictive trading and marketing opportunities for their products, more extensive technology and resource transfers to South Asia, debt relief and access on favourable and on more concessional terms to resources from multilateral financial institutions. They agreed to keep an open dialogue on these aspects through mutual consultations.

5. The Heads of State or Government assessed current international developments in the political sphere particularly those that affected the lives of the people of South Asia. They noted the changing power structures in international relations and the reduction of confrontations and tensions, particularly among the Super Powers. These have contributed to the receding of the threat of nuclear confrontation and to agreements on disarmament measures. The Heads of State or Government hoped that these developments would

restrain the pursuit of military power in all areas of the world. They expressed the hope that the peace dividend would be used for promoting further development of developing countries. They welcomed the trend towards popularly based democratic governments in different parts of the world including in South Asia.

6. The Heads of State or Government observed however that some political issues in particular the Palestine question, the final elimination of Apartheid as well as other problems remained unresolved despite efforts towards their settlement.

7. In regard to human rights, the Heads of State or Government observed that civil and political rights on the one hand and economic and social rights on the other are interdependent and of equal importance Human rights issues should not therefore be viewed in narrow and exclusively political terms. In this context they underlined the need to view the efforts of States to guarantee human rights in their full context, through the pursuit of development for all citizens in conditions of stability, which in turn guarantees the enjoyment of human rights of all persons.

8. The Heads of State or Government while reaffirming their commitment to democracy, human rights and the rule of law, emphasised the need to ensure that development remains at the centre of international attention.

9. The Heads of State or Government agreed to participate in the ongoing process of revitalising the United Nations as an effective universal instrument for addressing international issues on an equitable and democratic basis, taking full account of the interests and concerns of all states, including those in South Asia. Issues such as the protection and preservation of the environment and the equitable and sustainable management of global resources, economic development and the alleviation of poverty, the suppression of terrorism, drug trafficking and other international crimes required global responses and solutions calling for action by all states.

10. In the context of the SAARC Charter objective to strengthen cooperation among Member States in international forum, the Heads of State or Government resolved to encourage consultations among delegations of SAARC countries at all international forum and to promote articulation of joint positions where such action would be in the interests of all. They felt that the development of a collective position in international forum would accord them greater credibility and enhance the international profile of South Asia.

11. The Heads of State or Government welcomed the Report presented by the Chairman of the Fifth SAARC Summit, the President of Maldives, and the Head of Government of Bangladesh on the adoption of a more businesslike and functional approach in the conduct of SAARC meetings, as well as the Report submitted by the Chairman of the Ninth Session of the Council of Ministers, the Foreign Minister of Maldives, on rationalizing SAARC activities. The Heads of State or Government also considered other proposals submitted by Member States and by the Secretariat to make the Association a more effective instrument for the realisation of the aspirations of the people of South Asia.

12. They decided that the Standing Committee should meet in special session in Colombo in April 1992 in order to collate and study all proposals and comments in this respect and to submit a report with its recommendations to the Eleventh Session of the Council of Ministers.

13. The Heads of State or Government re-emphasized that regional self-reliance should be resolutely promoted through closer cooperation among countries of the Association and that this would help mitigate the adverse consequences of negative international developments operating against them.

14. The Heads of State or Government requested the Standing Committee at its Special Session to study the question of cooperation between SAARC and appropriate international and regional organizations taking into account the evolution of SAARC activities in the core economic areas and to report to the Eleventh Session of the Council of Ministers.

15. The Heads of State or Government noted the progress made by the Integrated Programme of Action (IPA) in expanding to cover a number of sectors crucial for the economic and social progress of the peoples of South Asia. They were of the view that the challenge facing the IPA was to achieve its identified targets within specific time periods. The Heads of State or Government welcomed the proposals made and the discussions proceeding in SAARC to heighten the effectiveness of the IPA.

16. The Heads of State or Government accorded the highest priority to the alleviation of poverty in all South Asian countries. They affirmed that South Asia's poor could constitute a huge and potential resource, provided their basic needs were met, and they were mobilized to create economic growth. This requires that the poor are empowered and are irreversibly linked to the mainstream of development. It was noted that each South Asian country has had significant success cases of this approach to poverty alleviation.

17. Recognising that a great majority of these people remain below the poverty line, they evinced keen interest in a "Daal-Bhaat", or assured nutritional standards approach towards the satisfaction of basic needs of the South Asian poor.

18. Deeply conscious that primary education is the cutting edge in the struggle against poverty and the promotion of development, the Heads of State or Government reaffirmed the importance of attaining the target of providing primary education to all children between the ages of 6-14 years by the year 2000. They agreed to share their respective experiences and technical expertise to achieve this goal.

19. The Heads of State or Government decided to establish an independent South Asian Commission on Poverty Alleviation consisting of eminent persons from each SAARC Member State to conduct an indepth study of diverse experiences of the seven countries on poverty alleviation, and to report to the

Seventh Summit, their recommendations on the alleviation of poverty in South Asia.

20. The Heads of State or Government were pleased to note the establishment of the Committee for Economic Cooperation as an important outcome of the Regional Study on Trade Manufactures and Services. They declared their commitment to the liberalisation of trade in the region through a step by step approach in such a manner that all countries in the region share the benefits of trade expansion equitably.

21. The Heads of State or Government approved that the Inter Governmental Group (IGG) set up on the recommendation of the Committee on Economic Cooperation should formulate and seek agreement on an institutional framework under which specific measures for trade liberalisation among SAARC Member States could be furthered. It should also examine the Sri Lankan proposal to establish a SAARC Preferential Trade Arrangement (SAPTA) by 1997. They directed that the IGG should meet as early as possible and report to the Committee on Economic Cooperation. The Heads of State or Government accepted the offer of the Government of Sri Lanka to host the Second Meeting of the Committee on Economic Cooperation at Colombo in June/July 1992 at which the report of the Inter Governmental Group would be considered.

22. The Heads of State or Government recognised that the degradation of the environment has emerged as a major global concern. While the protection of the environment is a common imperative for all humankind, the main responsibility in this regard rests on developed countries since most of the emission of pollutants originates in those countries and since they also have greater capacity for taking or facilitating corrective measures.

23. The Heads of State or Government called on the international community to address the question of unsustainable production and consumption patterns and life styles which lead to environmental degradation. They were also of the view that environmental standards applicable to developed countries may have

excessive and unwarranted economic or social costs if applied in developing countries.

24. Adequate new and additional resources are needed for developing countries to pursue an environmentally sensitive process of development that will banish the underlying causes of environmental degradation poverty, malnutrition and unemployment. Such resources should be transferred to developing countries on an assured basis together with environmentally sound technology at preferential and concessional terms.

25. The Heads of State or Government expressed their conviction that the framework could be laid for an equitable global partnership of all countries with a view to safeguarding the environment.

26. The Heads of State or Government noted that in preparation for the SAARC Year of the Environment, SAARC countries had taken various national as well as regional measures for the preservation of the environment.

27. The Heads of State or Government expressed their satisfaction at the completion of Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of Environment. They urged the member countries to promote cooperation amongst themselves for enhancing their respective disaster management capabilities and for undertaking specific work programmes for protection and preservation of the environment. They endorsed the decision of the Council of Ministers to establish a Committee on Environment to:

- examine the recommendations of the Regional Study
- identify measures for immediate action
- decide on modalities for their implementation and welcomed the offer of Bangladesh to hold the first meeting of the Committee in Dhaka.

28. The Heads of State or Government noted with satisfaction the decision of the Standing Committee concerning the time frame to finalise the regional study on the " 'Greenhouse Effect' and its Impact on the Region". They urged member countries to consult each other on key issues concerning climate change, Biodiversity and Biotechnology, a global consensus on forestry principles, transfer of environmentally sound technology, management of waste and other issues for discussion at Intergovernmental Negotiating Committee and the UNCED in 1992 so that the concerns of SAARC countries could be effectively articulated and projected, keeping in mind their respective national priorities.

29. The Government of India renewed its offer to host a Ministerial Meeting to harmonise the views of SAARC countries on these issues before UNCED 1992. The Heads of State or Government welcomed the offer.

30. The Heads of State or Government noted the useful activities conducted during 1991 which was observed as SAARC Year of Shelter. They decided to continue to work towards the global objective of "Shelter for All by the Year 2000.

31. The Heads of State or Government were of the view that Governments should play the critical role of facilitator and supporter of the initiatives of the people and nongovernmental agencies in the field of shelter. In this role, they should be involved in the provision of affordable sites with secure tenure, making housing finance available on an affordable and sustainable basis, providing infrastructure development such as water supply and sanitation, energy and waste disposal, increasing the supply of building materials at reasonable prices using indigenous resources, removing constraints to building activities, and creating maximum opportunities for public participation in decision making and management of shelter activities in the overall context of poverty alleviation. Such activities would be facilitated by the exchange of experience, personnel, research and information among the SAARC countries.

32. The Heads of State or Government welcomed the recommendation on the establishment of a shelter information network to be called "SHELTERNET".

33. The Heads of State or Government accorded the highest priority to the question of child survival, protection and development. They welcomed the adoption of a Plan of Action on Children for South Asia which incorporated relevant recommendations of the World Summit on Children.

34. The Heads of State or Government noted in this context that some member countries had completed their national Plans of Action and urged other member countries to complete their respective Plans. They also urged Member States to ensure coordinated followup action on their respective Plans.

35. The Heads of State or Government welcomed the offer of Sri Lanka to host a Conference on Children in South Asia in 1992 to consider implementation of the regional Plan of Action.

36. The Heads of State or Government welcomed the adoption of the Plan of Action for 1991 2000 A.D. as the SAARC Decade of the Girl Child. They requested the Council of Ministers to ensure an annual review of the status of implementation of the Plan of Action during the decade.

37. The Heads of State or Government expressed serious concern on the spread of terrorism in the region affecting the security and stability of all Member States and unequivocally condemned all acts, methods and practices of terrorism as criminal. They deplored all such acts for their impact on life, property, socio-economic development and political stability as well as on regional and international peace and cooperation.

38. They recognised that cooperation among SAARC States was vital if terrorism was to be prevented and eliminated from the region. In this regard they urged Member States to take all necessary measures to give full effect to their obligations under the SAARC Regional Convention on Suppression of Terrorism. They stressed in particular, the urgent need for the expeditious enactment of enabling legislation by those Member States which had not yet done so, for the implementation of the Convention and the need for a constant dialogue and interaction among the concerned agencies of Member States, including submission of periodic recommendations to the Council of Ministers.

39. The Heads of State or Government welcomed the initiative of the Government of the Republic of Maldives in drawing the attention of the international community to the protection and security of small states. They noted with satisfaction that the resolution submitted by the Maldives to the United Nations during the 46th Session of the General Assembly and cosponsored by 65 countries including all the members of SAARC was adopted without a vote. They agreed that small states may be particularly vulnerable to external threats and acts of interference in their internal affairs and that they merit special measures of support in safeguarding their sovereign independence, territorial integrity and the welfare of their people.

40. The Heads of State or Government noted with satisfaction the increasing regional cooperation in combating the problem of drug trafficking and drug abuse. They expressed serious concern over the growing linkages between drug trafficking, international arms trade and terrorist activities. While expressing satisfaction at the signing of the SAARC Convention on Narcotic Drugs and Psychotropic Substances at the Fifth SAARC Summit at Malé, they urged Member States which had not yet done so to ratify the Convention for its entry into force. They also recognised the need for greater cooperation, including the submission of periodic recommendations to the Council of Ministers.

41. The Heads of State or Government recalled that important initiatives had been taken at the Bangalore and Kathmandu Summits which had subsequently resulted in the increased involvement of the peoples of South Asia in the process of Regional Cooperation. They welcomed the steps being taken by business organisations/ professional bodies, scholars, academics, National Cultural Councils and the media in South Asia to form regional entities/ bodies. They called on the Standing Committee to expedite the formulation of guidelines for extending recognition to such groups and bodies.

42. The Heads of State or Government welcomed the setting up of a SAARC Fund for Regional Projects (SFRP) for identification and development of regional projects. They noted that the Fund would be managed by a Regional Council of

Development Financing Institutions of the SAARC Member States and that the First Meeting of the Council would take place in India.

43. The Heads of State or Government requested the Secretary-General of SAARC to set up a panel of experts to examine the proposal of His Majesty the King of Bhutan to undertake a prefeasibility study for the establishment of a South Asian Development Fund, taking into account the views of all Member States.

44. The Heads of State or Government noted with satisfaction that the Scheme in regard to the entitled categories of Members of Parliament, Judges of the Supreme Court, Heads of national academic institutions and the accompanying spouses and dependent children will become operational from 1st March 1992. They called for expeditious action to implement the scheme as well as to consider other categories eligible for exemption.

45. The Heads of State or Government were conscious of the vast potential being afforded by current advances in scientific research for the application of science and technology towards the wellbeing of the peoples of South Asia. They agreed that for the South Asian region to derive the maximum benefit, scientific and technological cooperation should transcend national frontiers.

46. Recalling the decision of the Malé Summit to institutionalise cooperation in the field of biotechnology, they welcomed the proposal for the establishment of a networking arrangement between Research and Development Centres in the Member States as an important step in advancing such cooperation. They also welcomed the emphasis on organised study tours, workshops and seminars proposed in the identified areas of cooperation in the field of science and technology.

47. The Heads of State or Government gratefully accepted the offer of the Government of Bangladesh to host the Seventh SAARC Summit in 1992.

48. The Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Nepal and Pakistan expressed their deep appreciation for the exemplary manner in which the President of Sri Lanka had discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm

and gracious hospitality extended to them by the Government and the people of Sri Lanka and for the excellent arrangements made for the Meeting.



Appendix-8

SEVENTH SAARC SUMMIT

DHAKA

DECLARATION

*SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION*

DECLARATION

The Declaration of the Seventh SAARC Summit of the Heads of State or Government of Member Countries of the South Asian Association for Regional Cooperation issued on 11th April 1993.

INTRODUCTION

1. The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia, the King of Bhutan, His Majesty Jigme Singye Wangchuck, the Prime Minister of the Republic of India, His Excellency Mr. P. V. Narasimha Rao, the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom, the Prime Minister of Nepal, the Rt. Hon. Girija Prasad Koirala, the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Mohammed Nawaz Sharif and the President of the Democratic Socialist Republic of Sri Lanka, His Excellency Mr. Ranasinghe Premadasa met at the Seventh Summit of the South Asian Association for Regional Cooperation (SAARC) at Dhaka, Bangladesh on 10 - 11 April, 1993.

REGIONAL COOPERATION

2. The Heads of State or Government reiterated their commitment to the principles and objectives of the South Asian Association for Regional Cooperation (SAARC), to the five principles of peaceful co-existence, the UN

Charter and non-alignment. The Heads of State or Government noted the progress achieved in regional cooperation under the aegis of SAARC. They felt that time was now opportune for SAARC to provide a further dynamic impetus to activities in the core areas of economic, social and cultural cooperation in the SAARC region.

INTEGRATED PROGRAMME OF ACTION (IPA)

3. The Heads of State or Government welcomed the recent specific steps taken to consolidate and further streamline IPA-related SAARC activities. They also stressed the need for a progressive movement towards undertaking more well-defined, target-oriented and time-bound projects and programmes to ensure tangible benefits for the peoples of South Asia.

ACTIVITIES OUTSIDE IPA

4. The Leaders welcomed the recent decisions to institutionalize cooperation in the core areas.

MORE BUSINESS-LIKE AND FUNCTIONAL APPROACH IN THE CONDUCT OF SAARC MEETINGS

5. The Heads of State or Government approved the recommendations of the Eleventh Session of the Council of Ministers for adopting a more business-like and functional approach in the conduct of Summit meetings. They also noted with satisfaction the guidelines and procedures approved by the Eleventh Session of the Council in this respect relating to other SAARC meetings. They decided to meet informally whenever necessary, between Summits.

CONSENSUS ON ERADICATION OF POVERTY IN SOUTH ASIA

6. Conscious that the sheer magnitude and complexity of South Asian poverty constituted a major political and economic challenge, the Heads of State or Government reiterated their commitment to continue to accord a high priority to its eradication from the region in the shortest possible time.

7. They pledged to overcome this challenge through the implementation of appropriate pro-poor development strategies at macro and micro levels.

8. In this context, the Heads of State or Government welcomed the Report of the Independent South Asian Commission on Poverty Alleviation established at the Colombo Summit. The Report provided valuable insight and illustrative examples of successful poverty alleviation programmes in individual Member States.

9. Acknowledging that the abiding human qualities of dignity, creativity and productive potential are eroded by chronic poverty, the Heads of State or Government reiterated their commitment to empowering the poor for enhanced growth, consistent with human development and equity.

10. The Heads of State or Government committed their Governments unequivocally to the eradication of poverty in South Asia, preferably by the year 2002 A.D. through an Agenda of Action, which would, inter-alia, embody :

- A strategy of social mobilization involving the building of organizations of the poor and their empowerment through appropriate national support mechanisms, with the assistance of respective Governments;
- A policy of decentralized agricultural development and sharply focussed household level food security through universal provision of 'Daal-Bhaat' or basic nutritional needs;
- A policy of decentralized small scale labour intensive industrialization, with the choice of efficient and cost-effective technology;
- A policy of human development, including the enhancement of the social role and status of poor women, the provision of universal primary education, skill development, primary health care, shelter for the poor and protection of children;
- A policy to support the above initiatives with adequate financial resources.

11. The Heads of State or Government stressed that within the overall conceptual approach of 'Daal-Bhaat', the right to work and the right to primary education should receive priority.

12. The Leaders also underscored the critical link between the success of national efforts aimed at poverty alleviation and the external factors affecting growth and development. They urged all major actors in the world economic scene, particularly the industrialized countries and multilateral and regional financial institutions, and Non-Governmental Organizations to create an enabling international atmosphere that is supportive of poverty alleviation programmes in South Asia. This would require a new dialogue with donors.

13. The Heads of State or Government agreed to the follow-up action indicated below :

- a national level pro-poor plan to be drawn up by each Member State. This plan is to be harmonized with the open economy and structural adjustment strategies;
- to share during the next Summit, information regarding the progress achieved.

TRADE, MANUFACTURES AND SERVICES

14. The Heads of State or Government reaffirmed the need to liberalize trade as early as possible through a step by step approach. They underscored that this should be done in such a manner that all countries in the region could share the benefits of trade expansion equitably.

15. In this context, the Heads of State or Government welcomed the finalization of the framework Agreement on SAARC Preferential Trading Arrangement (SAPTA). They expressed their deep satisfaction over the signing of the framework Agreement. The Leaders stressed that all necessary steps should be taken to begin the first round of trade negotiations to exchange trade preferences among Member States under the Arrangement.

16. The Heads of State or Government further underlined the critical importance of urgently promoting intra-regional cooperation, particularly in the area of manufactures in order to enhance the productive capacity of the Member

Countries, and to promote sustained growth and development to prevent the marginalization of South Asia's trade interest in the larger global context.

ENVIRONMENT

17. The Heads of State or Government expressed their deep concern at the unabated degradation of the environment and recurrence of devastating natural disasters. They also underscored the risks and dangers involved in overlooking the challenge posed by these problems. They expressed their commitment to implementing at all levels - national, bilateral, regional and global - programmes for the protection and preservation of the environment and prevention of its degradation. The Heads of State or Government recognized that the completion of the Regional Study on the "Greenhouse Effect" and its Impact on the Region" was a significant step forward in promoting regional cooperation in this vital area. They also stressed the importance of continuing the ongoing SAARC activities in the field of environment.

18. The Heads of State or Government welcomed the outcome of the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992 and underscored the imperative need to ensure the flow of resources to successfully implement the wide range of suggested initiatives and actions contained in Agenda 21. The Heads of State or Government noted that all international actions in the area of environment should be based on common but differential responsibilities, collective endeavours and a balanced perspective. Such actions, they stressed, must consider the protection of environment, economic growth and eradication of poverty as mutually reinforcing. All environmental initiatives, they underscored, must preclude the imposition of arbitrary and one-sided pre-conditions and ensure a harmonious blending of environmental and development concerns. They further noted with satisfaction the establishment of the Commission on Sustainable Development. They urged that the Commission approach environmental problems of developed and developing countries in an equitable manner.

19. The Heads of State or Government expressed their satisfaction over the adoption of a common position by Member States prior to the United Nations

Conference on Environment and Development. They expressed their determination to continue in future the practice of intra-SAARC consultations on matters of common concern.

POPULATION

20. Recognizing the sovereign right of all countries to promote, adopt and implement their population policies and mindful of their cultures, values and traditions, the Heads of State or Government stressed the need to integrate demographic objectives and population strategies in the formulation of the development strategies of Member Countries. In this context, they also noted the importance of adequate investment in the health and education sectors for the success of their population programmes. They agreed that cooperation among Member States should be strengthened, both through sharing experiences and in other practical ways, to enhance their capacity to deal with the population problem. The Leaders urged Governments of developed countries, as well as all concerned international and regional organizations, to strengthen their financial and technical support in the areas of health and education as part of their strategy of assistance to developing countries in their development efforts.

21. The Heads of State or Government welcomed the offer of Nepal to host a SAARC Ministerial Conference on Women and Family Health in Kathmandu in October/November 1993.

SHELTER

22. The Heads of State or Government reiterated that housing was a basic right for all people and that Governments should act as facilitator and supporter of shelter programmes initiated by the people. They urged Member States to continue to work towards the global objective of "Shelter for All by the Year 2000".

CHILDREN

23. Reaffirming their commitment to accord the highest priority to child survival, protection and development, the Heads of State or Government noted with satisfaction that all Member States had completed their National Plans of Action

on Children. They reiterated their call at the Colombo Summit to continue to ensure coordinated follow-up action by Member States on their respective plans.

24. The Heads of State or Government endorsed the "Colombo Resolution on Children" adopted by the Second SAARC Ministerial Conference on Children held at Colombo in September 1992 and urged Member States to implement programmes as appropriate in their respective national contexts, to achieve the illustrative goals embodied in the Resolution, and the goals of the SAARC Plan of Action on Children.

25. The Heads of State or Government noted, in particular, the need to take effective measures to protect children against all forms of neglect, cruelty and exploitation and agreed to promote cooperation among Member States in devising such measures.

YOUTH

26. Stressing that the youth of South Asia constituted a vital resource for national development and that mobilization of their latent power was imperative, the Heads of State or Government focussed special attention on the needs of the Youth in South Asia and their development.

27. The Leaders noted that the youth of South Asia faced a number of serious problems requiring urgent attention and remedial measures. They welcomed the offer of the Maldives to host a Ministerial Conference on Youth in South Asia in 1994 to address the problems of the Youth and focus on the broad theme of youth and development. They also agreed to designate 1994 as the "SAARC Year of the Youth".

PLAN OF ACTION FOR THE DISABLED PERSONS

28. The Heads of State or Government while recalling their decision at the Male' Summit to observe 1993 as the "SAARC Year of Disabled Persons", adopted the Regional Plan of Action for the Disabled Persons. They urged Member States to take concrete steps to implement the Plan.

29. They welcomed the offer of Pakistan to host a Ministerial Conference on Disabled Persons in September 1993.

WOMEN IN DEVELOPMENT

30. While reviewing the situation of women in the region, it was noted with satisfaction that over a period of time, the content of regional cooperation which addresses the issue of development, gender and equality for women has steadily grown in SAARC. The Heads of State or Government hoped that the cooperation thus developed will enable Member States to achieve the ultimate goal of bringing women into the mainstream of development with independence and equality.

31. The Heads of State or Government recalled that in pursuance of their collective will expressed in the Male' Summit to observe the 1990s as the "SAARC Decade of the Girl Child", Member States had undertaken to formulate National Plans of Action for the improvement of the condition of the Girl Child giving priority to her survival, protection and development. They expressed satisfaction that some Member States had already completed this task and others were expected to do so soon.

SCIENCE AND TECHNOLOGY

32. The Heads of State or Government emphasized that cooperation in the field of Science and Technology was of utmost importance in order to accelerate the process of development in South Asia.

33. They called for further intensification of efforts by Member States in this important area, particularly to facilitate research and exchange of information through networking arrangements in the field of bio-technology, genetic engineering, energy modelling techniques and other identified areas of cooperation.

TERRORISM

34. The Heads of State or Government reiterated their unequivocal condemnation of all acts, methods and practices of terrorism as criminal. They strongly deplored the adverse consequences of terrorism.

35. They noted with grave concern that the efforts to combat the growing threat of terrorism had resulted in the diversion of valuable scarce resources from urgent development programmes.

36. The Leaders reiterated the need to give high priority to the enactment of enabling legislation at the national level to give effect to the SAARC Regional Convention on Suppression of Terrorism, while urging the Member States which had not yet done so, to make every effort to finalize this matter before the Eighth SAARC Summit.

37. While recognizing that some progress had been achieved in the fields of consultation and exchange of information, they stressed the need for further enhancing cooperation in these fields as well as for coordinated action. They called for the expeditious implementation of the recommendations formulated for advancing cooperation in this regard in pursuance of their decision at the Colombo Summit.

DRUG TRAFFICKING AND DRUG ABUSE

38. The Heads of State or Government reiterated their grave concern at the growing menace of drug trafficking in the region and the aggravation of the problem of drug abuse among the South Asian population, particularly the youth.

39. They recognized the devastating impact of drug abuse on the very fabric of society and the serious threat to security and stability posed by drug trafficking through its growing linkages with organized crime, illicit arms trade and terrorism.

40. The Heads of State or Government were gratified to note the expanding cooperation among Member States to combat and eliminate the scourge of drug trafficking and drug abuse.

41. They reiterated the need for further strengthening cooperation in this field and called for the expeditious implementation of the recommendations formulated for this purpose in pursuance of their decision at the Colombo Summit.

SECURITY OF SMALL STATES

42. The Heads of State or Government reaffirmed their commitment to pay special attention to the monitoring of the security of small States and underscored the need to consider special measures of support to preserve their sovereign independence, territorial integrity and the well-being of their people. They further noted that real protection of small and weaker States should be firmly rooted in the Rule of Law and strict adherence to universally accepted

principles and norms relating to the sovereign rights and territorial integrity of all States - big or small. This, they stressed, should be ensured by all countries either severally or collectively through the pursuit of appropriate actions.

PEOPLE-TO-PEOPLE CONTACT

43. The Heads of State or Government stressed the need to further promote people-to-people contact in order to ensure increased involvement of peoples of South Asia in the process of regional cooperation. In this context, they noted that the formulation of guidelines and procedures for extending recognition to regional apex bodies would facilitate participation of these bodies in promoting regional cooperation at the people-to-people level.

44. The Leaders expressed the hope that the recent recognition of the SAARC Chamber of Commerce and Industry would contribute positively to enhancing cooperation in the crucial areas of trade and economic relations.

45. The Heads of State or Government expressed their appreciation to the Government and people of India for hosting the First South Asian Festival of SAARC Countries in 1992. The Festival provided the people of the region the opportunity to share in the rich cultural heritage of South Asia. The Heads of State or Government hoped that the South Asian Festival would become a regular feature.

ASSOCIATION OF SAARC SPEAKERS AND PARLIAMENTARIANS

46. The Heads of State or Government welcomed the initiative of the Speakers of Parliaments of SAARC Countries in forming an "Association of SAARC Speakers and Parliamentarians". They were of the view that the establishment of this Association would add another important dimension to the process of regional cooperation.

SOUTH ASIAN DEVELOPMENT FUND

47. The Heads of State or Government endorsed the recommendation of the Council of Ministers for the establishment of an Inter-Governmental Group (IGG) on South Asian Development Fund (SADF) on an ad-hoc basis. They directed that the IGG define in clear terms the size, structure, resources and operational modalities of the proposed Fund. They also directed the IGG to examine the

complementarities between the SAARC Fund for Regional Projects (SFRP) and SADF, and their relationship, including the possibility of their merger. They welcomed the offer of the Maldives to host the meeting of IGG.

INTERNATIONAL POLITICAL DEVELOPMENTS

48. The Heads of State or Government had wide-ranging discussions on the current global political trends and future prospects, particularly those issues that affect South Asia. In this context, they reiterated their deep commitment to the purposes and principles of the UN Charter and reaffirmed their resolve to strengthen the United Nations as the central instrument for peace, security, disarmament, development and cooperation among the nations of the world. To this end, the Leaders supported all constructive initiatives aimed at strengthening the United Nations. They, however, underscored that any move to adapt or reform the United Nations must be undertaken with the sole objective of rendering the United Nations more democratic, efficient and effective and not to limit the focus of its attention to a narrow and isolated range of objectives.

49. The Heads of State or Government reiterated their firm commitment to the principles and objectives of the Non-aligned Movement and underlined the continued validity and relevance of these principles and objectives in the contemporary global political and economic context. They recalled the important role the Movement had been playing in strengthening international peace, promoting development and establishing more equitable and just economic relations and enhancing international cooperation in all areas. They expressed their deep conviction that the Movement's innate strength uniquely equipped it to continue to play a most constructive role in laying the foundations and defining the characteristics of a new world order which should be based on the principles of justice, equity and democracy in international relations. In this context, the Heads of State or Government welcomed the success of the Jakarta Summit of the Non-aligned countries and called for the expeditious implementation of its decisions.

50. The Heads of State or Government noted that the end of the cold war presented new opportunities and challenges. They observed that despite many

positive developments and recent successes in resolving some regional conflicts, the international political scene was still marred by strife and tension. They expressed their serious concern over the unfortunate and tragic consequences of ethnic conflict and violence afflicting people and communities in many parts of the world. They stressed that efforts must be intensified to find peaceful and viable solutions to conflicts of long standing nature and new problems through greater respect for international law and universally accepted humanitarian norms and standards.

51. The Heads of State or Government noted a number of recent positive developments in the area of nuclear, chemical and conventional disarmament including the agreements on bilateral arms reductions between the United States and the Russian Federation. They expressed their hope that the implementation of the far-reaching arms reduction agreed in the Washington Agreement of June 1992 and START II signed in Moscow in January 1993 would be successfully carried out. The Leaders urged all Nuclear-Weapon States to collectively endeavour to attain the ultimate goal of complete elimination of nuclear arsenals in the shortest possible time.

52. They also underscored the imperative to further broaden and deepen the dimensions to disarmament and to complement bilateral approaches to disarmament with effective multilateral approaches. While welcoming the recent progress in arms reduction at the global level, the Leaders were convinced that this objective could be best achieved through the promotion of mutual trust and confidence among Member States.

INTERNATIONAL ECONOMIC ISSUES

53. The Heads of State or Government noted that while it was important to build peace and create conditions of stability in the world, it was equally important to promote economic and social development. They underscored that international cooperation for development and eradication of poverty were inextricably linked with the preservation of international peace and security and hence needed to be treated on an equal footing and pursued with equal vigour. The Heads of State or Government expressed their grave concern over the continuing deterioration in

economic situation in the majority of developing countries. The economies of developing countries, they observed, continued to suffer as a result of limited market access for their exports, dwindling resource flows, absence of adequate foreign investment, mounting external indebtedness, inadequate transfer of technology and the inequities in the global monetary, financial and trading systems. The Heads of State or Government noted that although the developing countries themselves had the primary responsibility for their economic development, the role of developed countries remained central to the revival of the growth of the world economy - in particular the economies of the developing countries.

54. The Heads of State or Government reiterated the vital importance of economic interdependence among nations and of the need for reviving North-South dialogue. They fully endorsed the view that there should be more equitable economic opportunities for all nations. These should include such important features as the strengthening of a free, open and non-discriminatory multilateral trading system, effective macro-economic coordination and fiscal discipline to ensure stable conditions conducive to development in the global economy. They also reiterated their firm support for the broadening of the coordination of international macro-economic policies to take into account concerns of all countries, specially the developing countries. Referring to the competing demands for capital and investment resources, the Heads of State or Government underscored the need to ensure the adequate flow of investment resources to the developing countries through increasing global savings and a more equitable utilization of the peace dividends. In this context the Heads of State or Government also underscored the need to fulfil the internationally agreed aid targets for the developing countries and the Least Developed Countries. They emphasized on the need for exceptional finance to facilitate implementation of economic reform programmes in SAARC Countries.

55. The Heads of State or Government also strongly underlined the need to continue efforts to seek a comprehensive, durable and growth-oriented solution to the external indebtedness of the developing countries. This, they stressed,

was essential to accelerate the process of growth in these countries. A lasting solution to the debt crisis, the Heads of State or Government noted, must take into account the need to significantly reduce the stock and service of all types of debts of indebted developing countries to augment the concessional aid flows to SAARC Countries and work out anticipatory measures to prevent the recurrence and proliferation of the debt problem.

56. The Heads of State or Government also underlined the importance of a strengthened and liberalized international trading system. In this context, they noted that the successful conclusion of the Uruguay Round of Multilateral Trade Negotiations was a matter of great importance to the developing countries. Failure of the Round, the Leaders noted, would only further impair economic growth and encourage protectionist policy seriously weakening the multilateral trading system. The Heads of State or Government strongly urged the major partners in the Negotiations to demonstrate their political will and take positive steps to ensure without further delay a satisfactory conclusion of the Uruguay Round. They further stressed that although the main thrust of these negotiations in the recent past had been in respect of new issues, there was an imperative need to ensure that the Uruguay Round fully take into account the concerns and interests of developing countries. This, the Heads of State or Government stressed, was particularly important. The Leaders underscored the need to speedily conclude the current round of negotiations in a transparent, balanced and expeditious manner. They also stressed that before the conclusion of the Uruguay Round of Multilateral Trade Negotiations, an evaluation of results be held from the point of view of developing countries.

57. The Heads of State or Government expressed their concern over the increasing stock of anti-dumping and countervailing duty investigations against the exports of developing countries and the new threats to a liberal trading order in the form of measures taken in pursuit of the goals relating to workers' rights and the environment.

PROJECTION OF COLLECTIVE POSITIONS

58. The Heads of State or Government were of the view that greater consultations among the delegations of SAARC Countries in all international fora on the major issues of common concern to them would be in the interest of all their countries. They felt that the development of collective positions on such issues in the international fora would enhance the international profile of South Asia and would enable the countries in the region to articulate their position on them more effectively. They reiterated their common resolve to concert their position in all international fora and negotiations with a view to deriving maximum benefits from them in accordance with their needs and common priorities.

59. The Heads of State or Government underscored the vital importance attached by their countries to the forthcoming Second World Conference on Human Rights in 1993, the World Population Conference in 1994 and the 1995 World Conference on Women. They also supported the convening of a World Summit for Social Development. The Heads of State or Government stressed the need to develop a common South Asian perspective on the issues to be discussed by these important international conferences. They also underscored the imperative to coordinate the position of SAARC countries in order to ensure a balanced equitable and action oriented outcome of these conferences.

OBSERVER STATUS

60. The Heads of State or Government decided that an Expert Group of the Member States will examine the various requests for observer status at SAARC/SAARC meetings in all its aspects on the basis of a working paper to be prepared by the Secretariat and make appropriate recommendations to the Nineteenth Session of the Standing Committee. In this respect, they welcomed the offer of Sri Lanka to host the Expert Group Meeting.

CONCLUSION

61. The Heads of State or Government expressed their deep satisfaction over the positive outcome of the Seventh SAARC Summit and expressed their conviction that this Summit would greatly contribute towards strengthening the policies and cooperative actions of the Member States in response to the challenges of the 1990s and beyond in areas where SAARC has a distinct

contribution to make. They also reiterated once again their determination to strengthen and enrich SAARC as an instrument - endowing it with a clear set of forward looking goals and objectives as well as all the requisite institutional capacities - so that it can continue to work to enrich not only the lives of its own members but also promote peace, progress and stability in South Asia in a larger context.

DATE AND VENUE OF THE EIGHTH MEETING OF THE SAARC HEADS OF STATE OR GOVERNMENT

62. The Heads of State or Government gratefully accepted the offer of India to host the Eighth SAARC Summit in 1994.

63. The Heads of State or Government of Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka expressed their sincere appreciation for the exemplary manner in which the Prime Minister of Bangladesh had conducted the Meeting and guided its proceedings in her capacity as Chairperson. They expressed their deep gratitude for the warm and generous hospitality extended to them by the Government and people of Bangladesh and for the excellent arrangements made for the Meeting.

Appendix-9

EIGHTH SAARC SUMMIT

NEW DELHI

DECLARATION

SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

DECLARATION

The Delhi Declaration of the Heads of State or Government of the Member Countries of South Asian Association for Regional Cooperation issued on 4th May 1995.

INTRODUCTION

1. The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia, the King of Bhutan, His Majesty Jigme Singye Wangchuck, the Prime Minister of the Republic of India, His Excellency Mr. P.V. Narasimha Rao, the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom, the Prime Minister of Nepal, the Rt. Hon. Manmohan Adhikari, the President of the Islamic Republic of Pakistan, His Excellency Mr. Farooq Ahmad Khan Leghari and the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Eighth Summit of the South Asian Association for Regional Cooperation (SAARC) at New Delhi, India on 2-4 May 1995.

SAARC DECADE

2. The Heads of State or Government expressed their satisfaction on the achievements of the First Decade of SAARC and resolved to celebrate its completion of the First Decade both in the individual Member States and collectively. They endorsed the proposal of the Council of Ministers to convene a

Commemorative Session of the Council on the theme "SAARC - Vision for the Second Decade" to identify the areas on which SAARC should focus in its Second Decade.

REGIONAL COOPERATION

3. The Heads of State or Government reaffirmed their resolve to intensify regional cooperation in order to accelerate the process of promoting the welfare and improving the quality of life of the peoples of South Asia. They reiterated their commitment to the principles and objectives enshrined in the SAARC Charter, particularly, to the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in each other's internal affairs. They recalled their conviction that in an increasingly interdependent world, regional cooperation was a dynamic instrument for promoting economic prosperity, mutual understanding and good neighbourly relations to achieve the objectives of peace and stability in South Asia. In this context, a climate of peace and stability would contribute to the economic growth.

ERADICATION OF POVERTY IN SOUTH ASIA

4. The Heads of State or Government reaffirmed their commitment to the eradication of poverty in South Asia, preferably by the year 2002 A.D. through an Agenda of Action.

5. The Leaders endorsed the recommendations of the Finance/Planning Ministers' Meeting held in Dhaka in July 1994 which recommended that a mechanism should be set up which would act as a forum for exchange of information on poverty eradication programmes, in the context of the policies and strategies adopted, particularly exchange of information on technologies that are relevant to efforts at poverty eradication. They agreed that this process could be strengthened by sharing and exchanging relevant studies carried out by independent research institutions and experts. This mechanism would be in the form of a three-tier institutional structure as recommended in the Report and would meet once a year. They noted that such a mechanism has been set up

enabling the procedures of exchange of information to commence and welcomed the offer of India to host the first round of the three-tier mechanism.

6. The Heads of State or Government directed that the next meeting of Finance/Planning Ministers consider the efficacy of such mechanism towards eradicating poverty in the region and report on the progress achieved to the Ninth SAARC Summit, through the Council of Ministers.

7. In this context, they decided to declare 1995 as the "SAARC Year of Poverty Eradication".

8. Acknowledging that the abiding human qualities of dignity, creativity and productive potential are eroded by chronic poverty, the Heads of State or Government reiterated their commitment to empowering the poor for enhanced growth consistent with human development and equity.

9. Recognizing that poverty is a complex multi-dimensional problem with origins in both national and international domains, country-specific programmes to tackle poverty and international efforts supporting national efforts and the parallel process of creating a supportive international environment conducive to economic growth and social development of developing countries, are crucial for a solution to this problem. The World Summit for Social Development recognized the need for focusing the attention of the international community on and support the special needs of countries and regions in which there are substantial concentrations of people living in poverty, in particular those in South Asia and which face serious difficulties in achieving social and economic development. The Heads of State or Government reiterated their commitment to eradicate poverty and noted with appreciation the outcome of the World Summit for Social Development.

10. The Heads of State or Government committed themselves to addressing the fundamental causes of poverty and to provide for the basic needs of all. They reaffirmed their commitment to work for guaranteeing the realisation of the rights

of all, in particular those of the poor, to food, work, shelter, health, education, resources and information.

11. The Heads of State or Government reaffirmed their commitment to provide expanded opportunities to the poor to enhance their overall capacities and improve living conditions and to adequate economic and social protection during unemployment, disability and old age. While recognising the need to improve, expand and deregulate markets to promote sustained economic growth they felt it was essential to mitigate any negative features created by the market forces and make all efforts to make the markets friendly to the poor. The Heads of State or Government reaffirmed the necessity to ensure that financial systems and other public policies are geared towards poverty eradication and warned against increase in socially divisive disparities.

12. The Heads of State or Government agreed that the Governments of SAARC countries will have to play a lead role in promoting the support structures needed for poverty eradication, including people's institutions and non-governmental organisations in the context of organising the people and fostering decentralisation and local self-governance and encouraging organisation of the poor, in the context of their social and economic interests.

SAARC PREFERENTIAL TRADING ARRANGEMENT (SAPTA)

13. The Heads of State or Government noted with satisfaction that subsequent to the signing of the Framework Agreement on SAARC Preferential Trading Arrangement (SAPTA) during their Seventh Summit in Dhaka in April 1993, the first round of trade negotiations to exchange trade concessions among Member States has been completed. They directed that all necessary steps should be taken to facilitate ratification by all Member States and operationalise SAPTA by the end of 1995 as mandated.

14. The Leaders reiterated their firm belief that the operationalisation of SAPTA will herald the beginning of a new and significant process of regional cooperation

and would lend strength to SAARC as an institution for promoting the welfare of the peoples of South Asia.

15. In view of the fast changing international economic environment, creation of major trading and economic groupings, establishment of the World Trade Organisation subsequent to the successful conclusion of the Uruguay Round of Multilateral Trade Negotiations and unilateral economic liberalisation measures being adopted by Member Countries, the Heads of State or Government emphasised the urgency of broadening and deepening cooperation within a specific and rapid time-frame in the core areas of trade and economic relations in the region. These developments call for added urgency to achieve more progress towards operationalisation of SAPTA and intensification of cooperation to expand regional trade. To that end, they decided that the "Components" and "Additional Measures" identified in Articles 4 and 6 respectively of the SAPTA Agreement should be implemented.

INTEGRATED PROGRAMME OF ACTION

16. The Heads of State or Government noted the progress made through the Integrated Programme of Action covering a number of crucial areas and activities.

REGIONAL CENTRES

17. The Leaders welcomed the establishment of the SAARC Documentation Centre (SDC) in New Delhi in May 1994 and the SAARC Meteorological Research Centre (SMRC) at Dhaka in January this year.

WOMEN IN DEVELOPMENT

18. Noting that increased political and social consciousness in the region had highlighted the issues of elimination of gender-disparity and empowerment of women which are essential for their socio-economic development, the Heads of State or Government underlined the urgency of addressing these issues through further affirmative action.

19. The Leaders endorsed the "Kathmandu Resolution on Women and Family Health", adopted by the Ministerial Conference on Women and Family Health in Kathmandu in November 1993, and expressed satisfaction that appropriate programmes were being undertaken to implement the Resolution at the national level by the Member States.

20. The Leaders noted the progress in the implementation of the Plan of Action to mark 1991-2000 as the 'SAARC Decade of the Girl-Child', and requested the Council of Ministers to conduct a comprehensive mid-decade review for presentation to the Ninth SAARC Summit.

21. Recognising the serious threat faced by certain groups of Girl Children in Especially Difficult Circumstances (GCEDC) including those orphaned, disabled and exploited, the Leaders decided that an urgent appraisal of the situation of these children be undertaken by the Council of Ministers and specific recommendations be presented to the Ninth SAARC Summit.

22. Considering that the exploitation of the Girl Child is a direct reflection of the status of women in society, the Leaders reaffirmed their resolve to take necessary measures to eliminate all forms of discrimination against women and girl-children.

CHILDREN

23. The Heads of State or Government expressed satisfaction that the annual reviews of the situation of children in SAARC countries for the years 1993 and 1994 had been completed which indicated reduction in infant mortality and significant progress in the immunisation programme for children in the region.

24. Recalling the mid-decade goals of the World Summit for Children, the Heads of State or Government resolved to intensify their efforts both at the national and regional levels for attainment of these goals.

25. The Leaders welcomed that all Member States have become party to the Convention on the Rights of the Child. They felt that the recently held Cairo

International Conference on Population and Development (ICPD) in September 1994 and the Copenhagen World Summit on Social Development in March 1995 had imparted fresh impetus to the on-going efforts for the survival, protection and development of children in South Asia.

YOUTH

26. The Heads of State or Government endorsed the Malé Resolution on Youth adopted by the Ministerial Conference on Youth in South Asia held in the Maldives in May 1994 and noted that the Conference had, *inter-alia*, served to focus attention on the status of the youth and the challenges faced by them. The Leaders noted with satisfaction that the Agenda for Action incorporated in the Resolution is being implemented by Member States with a view to integrating the youth into the process of national development. They noted with satisfaction that the SAARC Youth Resolution had been adopted and the SAARC Youth Awards Scheme has been established.

27. The Leaders expressed satisfaction on the implementation of the Plan of Action to mark 1994 as the SAARC Year of the Youth in Member States and resolved to continue the momentum generated in Member States.

PERSONS WITH DISABILITY

28. The Heads of State or Government noted with satisfaction that the Ministerial Conference on Disabled Persons was held in Islamabad in December 1993. They endorsed the Islamabad Resolution on Disabled Persons and the recommendations of the Conference and noted that the Conference had further increased awareness among the peoples of South Asia regarding the needs and problems of the disabled persons. They welcomed the activities and programmes launched by the Member States in pursuance of the Resolution for the protection and promotion of persons with disability.

SHELTER

29. The Heads of State or Government, recognising that housing was a basic right for all people and that, in addition to governmental efforts, private initiatives of the people and non-governmental agencies should be supported, reaffirmed their commitment to work towards the global objective of "Shelter for All by the Year 2000."

LITERACY

30. The Heads of State or Government noted that illiteracy is one of the major causes of poverty, backwardness and social injustices and called on the Member States to initiate more concrete programmes aimed at eradicating illiteracy in the region preferably by the year 2000 A.D. They decided to observe 1996 as the "SAARC Year of Literacy".

ENVIRONMENT

31. Reaffirming the need for a concerted action for the protection and preservation of the environment, the Heads of State or Government expressed their satisfaction over the formulation of a common position by Member States prior to the World Conference on Natural Disaster Reduction and the presentation of the collective position at the Yokohama Conference. They recognised that international cooperation is vital for building up national capabilities, transfer of appropriate technology and promotion of multilateral projects and research efforts in natural disaster reduction.

32. The Heads of State or Government expressed their deep concern at the unabated degradation of the environment and recurrence of devastating natural disasters. They also underscored the risks and dangers involved in overlooking the challenge posed by these problems. They expressed their commitment to implementing at all levels - national, bilateral, regional and global - programmes for the protection and preservation of the environment and prevention of its degradation. The Heads of State or Government stressed the importance of continuing the on-going SAARC activities in the field of environment.

33. The Heads of State or Government noted that although some work has been carried out in the area of disseminating information on the problems of environmental degradation and their impact on the region, progress in the implementation of the recommendations of the SAARC Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment and the Regional Study on Greenhouse Effect and its Impact on the Region, which were completed in 1992, had been slow. They stressed the importance of effective and speedy implementation of the recommendations of the two Studies and requested Member States to take all necessary steps without further delay in vital areas such as sharing and developing scientific capabilities to protect and manage the environment. They further directed the Technical Committee on Environment to monitor the progress made in the implementation of the recommendations of the two Studies, and submit a report to the Ninth Summit through the Council of Ministers.

34. The Heads of State or Government recalled the decisions expressed in the Dhaka Declaration of April, 1993 on the outcome of the United Nations Conference on Environment and Development (UNCED) of June, 1992 and reiterated the urgent need to ensure the flow of new and additional resources that are adequate and predictable to successfully implement the programmes of Agenda 21. They also recalled the United Nations minimum target for developed countries of 0.7 percent of GNP as Official Development Assistance, a target which is yet to be approximated by most developed countries. The Heads of State or Government also noted that international actions in the area of environment protection should be based on partnership and collective endeavours and should reflect the principle enunciated in the UNCED, of common but differentiated responsibilities. Integral to such actions is the promotion of economic growth in developing countries, that is both sustained and sustainable and direct action in eradicating poverty.

35. The Heads of State or Government also noted that the Commission on Sustainable Development set up to monitor the implementation of the Rio

agreements has met thrice since their earlier meeting and expressed the hope that the Commission would be able to facilitate the necessary flow of resources and technology.

36. The Heads of State or Government also noted that the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change have both come into force and the first meetings of the Conferences of Parties to each Convention have been held. Welcoming these developments they urged that developing countries should be assisted in meeting their commitments under the Conventions. The establishment of the restructured Global Environment Facility (GEF) is a beginning in this direction. However, the Heads of State or Government urged that funds of a much larger order would be necessary if the needs of the Conventions are to be met.

TERRORISM

37. The Heads of State or Government expressed serious concern on the spread of terrorism in and outside the region and reiterated their unequivocal condemnation of all acts, methods and practices of terrorism as criminal. They deplored all such acts for their ruinous impact on life, property, socio-economic development and political stability as well as on regional and international peace and cooperation.

38. The Heads of State or Government once again emphasised that highest priority should be accorded to the enactment of enabling legislation at the national level to give effect to the SAARC Regional Convention on Suppression of Terrorism. They urged Member States, which had not yet done so, to enact expeditiously enabling legislation at the national level to implement the convention and reiterated the need for a constant dialogue and interaction among the concerned agencies of Member States, including submission of periodic recommendations to the Council of Ministers.

39. They underlined that cooperation among SAARC Member States was vital if the scourge of terrorism was to be eliminated from the region.

DRUG TRAFFICKING

40. The Heads of State or Government recognised that drug abuse and drug trafficking with its linkages with organised crime, illicit arms trade and terrorism continues to pose a serious threat to the security and stability in the region.

41. While noting the efforts made by Member States as well as the regional cooperation underway to combat this pernicious trade, the Leaders stressed the urgency of further strengthening the process of cooperation.

42. The Leaders welcomed the ratification of the SAARC Convention on Narcotic Drugs and Psychotropic Substances by all Member States and entry into force of the Convention in September 1993. They urged all Member States to take necessary follow-up action for effective implementation of the Convention.

SCIENCE AND TECHNOLOGY

43. The Heads of State or Government reiterated that cooperation in the area of Science and Technology should be accorded high priority. Noting that some progress had been made towards establishment of networking arrangements, *inter-alia*, in the fields of Bio-Technology, Genetic Engineering, Energy Modelling Techniques and Low-Cost Housing and Building Technologies, the Leaders called for further acceleration of this process.

PEOPLE-TO-PEOPLE CONTACT

44. Reiterating their earlier resolve to further promote people-to-people contact through increased involvement of the peoples of South Asia in the process of regional cooperation, the Heads of State or Government noted with satisfaction that such interaction has been taking place through various fora both within and outside the SAARC framework and has contributed to the promotion of mutual understanding in the region.

45. The Leaders noted that SAARCLAW (an association for persons of the legal communities of SAARC countries) had been accorded recognition by SAARC.

The Leaders hoped that SAARCLAW would play an effective role in fostering closer cooperation among the legal communities in the region.

46. The Leaders noted with satisfaction that the SAARC Chamber of Commerce and Industry (SCCI) has been functioning satisfactorily. They expressed hope that the SAARC Chamber and its constituent units in the Member States will do their utmost to promote trade and economic cooperation in the SAARC region. The Leaders commended the SAARC Chamber for disseminating information on the scope, content and potentials of SAARC Preferential Trading Arrangement (SAPTA) among the business community in the region.

47. The Heads of State or Government expressed satisfaction that the SAARC Visa Exemption Scheme is being implemented smoothly and has enhanced the scope of people-to-people contacts.

SOUTH ASIAN DEVELOPMENT FUND (SADF)

48. The Heads of State or Government endorsed the establishment of a three-window South Asian Development Fund with the merger of SAARC Fund for Regional Projects and the SAARC Regional Fund and a third window for social development and infrastructure development.

PROJECTION OF COLLECTIVE POSITIONS

49. The Heads of State or Government recalled their decision taken at the Seventh SAARC Summit regarding development of collective positions in international fora on such issues as would enhance the international profile of South Asia and would enable the Member States to articulate their position on them more effectively. They noted that Council of Ministers had formulated a procedure for projection of SAARC collective positions at such international fora.

50. They noted with satisfaction that pursuant to the decision at the Seventh SAARC Summit, collective positions were formulated by Member States which were presented at the World Conference on Natural Disaster Reduction and the World Summit for Social Development. The Leaders also noted with satisfaction

that a SAARC collective position will also be presented at the Fourth World Conference on Women in Beijing in September 1995.

SECURITY OF SMALL STATES

51. The Heads of State or Government reaffirming their commitment to universally accepted principles and norms relating to the sovereign rights and territorial integrity of all States, recognised that small States, because of their particular problems, required special measures of support for safeguarding their independence and territorial integrity. They reiterated that real protection of small and weaker States should be firmly rooted in the rule of law. This, they stressed should be ensured by all countries either severally or collectively through the pursuit of appropriate actions.

INTERNATIONAL POLITICAL DEVELOPMENTS

52. The Heads of State or Government noted that the end of the Cold War had resulted in fundamental changes in the political landscape. It was therefore important that a new idiom be found to address new concerns. The disappearance of the confrontation between the two power blocs presented an opportunity towards building a genuine consensus for a new international order.

53. The Heads of State or Government had wide ranging discussions on the current global political trends and future prospects, particularly those issues that concern South Asia. In this context, they reiterated their deep commitment to the purposes and principles of the UN Charter and reaffirmed their resolve to strengthen the United Nations as the central instrument for peace, security, disarmament, development and cooperation among the nations of the world. While pledging their support to all constructive initiatives aimed at strengthening the United Nations, the Leaders emphasised that such initiatives must be undertaken with the sole objective of rendering the United Nations and all its organs more democratic, efficient and effective and not to limit the focus of its attention to a narrow and isolated range of objectives.

54. Appreciating the role of some SAARC Member States in the UN Peace Keeping Operations in various parts of the world, the Heads of State or Government felt that such participation had contributed towards maintenance of peace and security in the world.

55. The Heads of State or Government reiterated their firm commitment to the principles and objectives of the Non-aligned Movement and underlined the continued validity and relevance of these principles and objectives in the contemporary world. They recalled the stabilising role played by the Movement in global affairs since its inception. They expressed their deep conviction that the Movement's innate strength equipped it to continue to play a most constructive role in laying the foundations of a new world order based on the rule of law, non-discrimination, equity and cooperation.

56. The Heads of State or Government noted that while the international community had successfully created the norm against chemical and biological weapons, it had, unfortunately, been unable to do the same with regard to nuclear weapons. The Leaders were convinced that more needs to be done and at a far greater pace. Reiterating that the utmost priority was to be given to nuclear disarmament, given the danger posed by nuclear weapons, they urged the Conference on Disarmament to negotiate an international convention prohibiting the use or threat of use of nuclear weapons under any circumstances and undertake negotiations for the complete elimination of all nuclear weapons within a time bound framework.

57. The Heads of State or Government expressed their strong commitment to the promotion and protection of human rights. They agreed to take all necessary steps to achieve this objective.

INTERNATIONAL ECONOMIC AND SOCIAL ISSUES

58. The Heads of State or Government welcomed the successful conclusion of the Uruguay Round of multilateral trade negotiations and reaffirmed their commitment to implement fully and as scheduled, the Final Act of the Uruguay

Round of multilateral trade negotiations. They also welcomed the coming into existence of the WTO and expressed the hope that it would help to expand international trade, particularly that of the developing countries. They reaffirmed the immediate need to elaborate policies to enable developing countries, to take advantage of expanded international trading opportunities, in the context of the full implementation of the Round. They called on all countries to refrain from any unilateral measure not in accordance with international law, the Charter of the United Nations and enlightened regionalism and globalism that creates obstacles to trade relations among States and thereby impedes the full realisation of social and economic development.

59. Recognising that the promotion of mutually reinforcing broad-based sustained economic growth on a global scale, as well as a non-discriminatory, and multilateral rule-based international trading system, provided a basis for social development, the Heads of State or Government called for the establishment of an open, equitable, cooperative and mutually beneficial international economic environment. They also called for a reduction of trade barriers and promotion of expanded access to global markets.

60. The Heads of State or Government reaffirmed their commitment to safeguard the basic interests of workers. They called upon countries to refrain from erecting trade barriers in the guise of promotion and protection of workers' rights. They deplored the tendency to impose any conditionalities on international trade, whether as a "social clause" or as the "environmental clause", while reiterating their commitment to ensuring workers' rights as well as protection of the environment.

SPECIAL MEASURES FOR THE LEAST DEVELOPED AND LAND-LOCKED COUNTRIES

61. The Heads of State or Government noted with deep concern that economic growth in the Least Developed Countries and Land-Locked Countries is not satisfactory and emphasised the need to take special measures for accelerating

the process of development. They reiterated the need to fulfil the internationally agreed aid targets for the developing countries and the Least Developed Countries. They

emphasised on the need for exceptional finance to facilitate implementation of economic reform programmes in SAARC Countries.

DATES AND VENUE OF THE NINTH MEETING OF THE SAARC HEADS OF STATE OR GOVERNMENT

62. The Heads of State or Government gratefully accepted the offer of the Government of Maldives to host the Ninth SAARC Summit. The dates would be finalised in consultation with Member States.

63. The Heads of State or Government of Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka expressed their deep appreciation for the exemplary manner in which the Prime Minister of India had discharged his responsibilities as Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and the people of the Republic of India and for the excellent arrangements made for the Meeting.

Appendix- 10

Tenth SAARC Summit

DECLARATION

COLOMBO

*The Declaration of the Tenth SAARC Summit of the
Heads of State or Government of the Member Countries of the
South Asian Association for Regional Cooperation issued on 31 July 1998, in Colombo.*

DECLARATION

- Introduction
- Regional Cooperation
- Cultural Unity
- Enhancing Political Cooperation
- Appraisal of SAARC Activities
- SAARC in the Changing International
Economic Environment
- Acceleration of Economic Cooperation
- People to People Contact
- Links with Other International and Regional
Organizations
- Projection of Common Positions
- Sub-Regional Cooperation
- Security of Small States
- Special Measures for Least Developed and
Land-Locked Countries
- Education and Literacy
- Eradication of Poverty in South
Asia
- Social Charter
- Communications
- Science and Technology
- Environment
- Youth
- Children
- Situation of Women and The Girl
Child
- Health
- Disabled Persons
- Information
- Terrorism and Drug Trafficking
- Universal Declaration of Human
Rights
- International Political
Developments
- Dates and Venue of the Eleventh
Meeting of the Heads of State or
Government

INTRODUCTION

1. The Prime Minister of the People's Republic of Bangladesh, Her Excellency Sheikh Hasina; Chairman, Council of Ministers and Head of Government of the Royal Government of Bhutan, His Excellency Lyonpo Jigmi Y. Thinley; the Prime Minister of the Republic of India, His Excellency Mr. Atal Behari Vajpayee; the

President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of the Kingdom of Nepal, Rt. Hon. Mr. Girija Prasad Koirala; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Muhammad Nawaz Sharif; and the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Tenth Summit of the South Asian Association for Regional Cooperation (SAARC) at Colombo from July 29 to 31, 1998, in the year of the Golden Jubilee of the Independence of Sri Lanka.

REGIONAL COOPERATION

2. The Heads of State or Government re-affirmed their firm commitment to the objectives, principles and provisions of the Charter of the South Asian Association for Regional Cooperation (SAARC) and to the pursuit of regional cooperation on the basis of their acceptance of the principles of sovereign equality, territorial integrity of States, political independence, non-interference in each others internal affairs, non-use of force, the peaceful settlement of all disputes and mutuality of benefit.

3. The Heads of State or Government recognised that the rich potential for productive, equitable regional cooperation among the Governments and people of South Asia which accounts for a fifth of humanity should be fully realised.

CULTURAL UNITY

4. The Heads of State or Government recognized that South Asia, while reflecting a rich, complex and varied plurality of cultural and religious traditions, was heir to a profound common civilizational continuum of great antiquity which constitutes a historical basis for sustaining harmonious relations among the people of the region. They acknowledged that the SAARC process could draw more deeply from the vitality and strength of South Asia's shared cultural heritage as a source influencing and enhancing creative energies in all fields.

5. The Heads of State or Government welcomed the offer of Sri Lanka to host a meeting of the Ministers of Cultural Affairs of SAARC to prepare a practical Action Plan to network the national institutes of cultural relations and to establish a South Asian Cultural Center to promote the distinctive arts of South Asia. They requested the Government of Sri Lanka to circulate a concept paper on the issues to be addressed by the meeting including financing arrangements for the proposed institute.

ENHANCING POLITICAL COOPERATION

6. The Heads of State or Government reiterated their commitment to the promotion of mutual trust and understanding and, recognising that the aims of promoting peace, stability and amity and accelerated socio-economic cooperation may best be achieved by fostering good neighbourly relations, relieving tensions and building confidence, agreed that a process of informal political consultations would prove useful in this regard. The Heads of State or Government further recognized that this process would contribute to the appreciation of each other's problems and perceptions as well as for decisive action in agreed areas of regional cooperation.

APPRAISAL OF SAARC ACTIVITIES

7. The Heads of State or Government continued their review of the nature, extent, and effectiveness of the cooperative activities of SAARC. They considered the Report and Recommendations of the Group of Eminent Persons mandated by the Ninth Summit in Male' to undertake a comprehensive appraisal of SAARC and to develop an Agenda for 2000 and beyond. They expressed appreciation for the Chairman of the Ninth Summit, His Excellency Mr. Maumoon Abdul Gayoom, the President of the Maldives for convening the Group of Eminent Persons (GEP) and encouraging them to complete their work within the time frame given to them by the Ninth SAARC Summit.

8. The Heads of State or Government directed the Council of Ministers to examine the Report of the Group of Eminent Persons in depth at their next Session, taking into consideration the views of Member States with regard to the viability of the recommendations and the method of their implementation.

SAARC IN THE CHANGING INTERNATIONAL ECONOMIC ENVIRONMENT

9. The Heads of State or Government assessed the implications of current global economic developments on the economies of South Asia and other developing countries. They noted the profundity of the wide-spread changes being effected in the economic, technological, social and information fields and their apparent unpredictability. They expressed serious concern over the severe distortions produced by the process of unrestrained globalisation as has been evidenced in the downturn of economies of several Asian States. The challenges and opportunities inherent in these fast evolving developments could best be met and the full potential of South Asia realized through effective practical regional and bilateral cooperation among Member States.

10. They noted that the benefits of the so described "liberalization" have been disappointingly asymmetrical with the process proceeding at a much slower pace in areas of special interest to developing countries. Increased opportunities in trade and investment have bypassed many developing countries. The Least Developed Countries have in particular been marginalised through a series of developments including the shrinking of ODA, concessional and other financial flows to these countries.

11. The Heads of State or Government noted the initiation of links between SAARC and economic unions and trading groups that were emerging in the wake of globalization and liberalization and considered how best relationships of mutual benefit could be established.

12. The Heads of State or Government observed that following the WTO Ministerial Conference in Geneva, a process has been initiated at the WTO

where implementation issues, built in agenda issues, issues arising out of the WTO Ministerial Conference and other multi-lateral trade issues will be considered with a view to making recommendations to the next Ministerial Conference of the WTO in 1999. These issues and the decisions arising from this process will have far-reaching consequences for our development strategies and prospects. The Heads of State or Government, therefore, resolved that SAARC countries would endeavour to coordinate their decisions on these issues in areas of common concern so as to protect and promote the interest of the developing countries. They expressed concern about the erection of protectionist barriers and the tendency to impose arbitrary "norms" relating to labour conditions, environmental regulations, governance and other extraneous issues to regulate trade exchanges, which would amount to additional non-tariff barriers, that would have the effect of restricting market access for developing countries including preferential access by Least Developed Countries (LDCs) into markets of developed countries. They agreed on the need for collective strategies to promote a rule-based, non-discriminatory and equitable international trading system in which the interests and concerns of developing countries would be fully safeguarded and served.

13. The Heads of State or Government noted that emerging issues relating to copyright, patents and marketing franchises including on foodgrains, plants and herbs indigenous to South Asia require firm collective responses to preserve these bio-resources from unregulated commercial exploitation by extra-regional interests. They emphasized in this regard, the principle of sustainable development of bio-resources and the provisions of the UN Convention on Biodiversity which provided for regulated access to such resources on terms and conditions to be agreed upon with the State in which such resources are located.

14. The Heads of State or Government cautioned that potential efforts to formulate a new Multilateral Investment Agreement should not overlook the need to ensure the continued independence of developing countries and Least

Developed Countries (LDCs) to formulate specific investment policies appropriate to their stage of development.

15. While reviewing the beneficial effects of globalization, the Heads of State or Government stressed the fact that systemic crises are becoming unpredictable with increased globalization. They expressed their concern about the shortcomings of the international monetary and financial system, and its tardiness in anticipating impending financial market crises sufficiently in advance, so that pre-emptive remedial action be adopted. They noted that the problem is systemic, and not unique to Asia, nor confined to emerging economies, and that it can have global ramifications, unless more fundamental reforms are put in place.

16. They recognized the risk that ad-hoc approaches, however prompt, once crises supervene, may lead to excessive social costs in the attempt to restore financial discipline. More effective social safety nets would, therefore, need to be devised for protecting vulnerable groups and a more appropriate balance between financing and adjustment found in a reformed international system or architecture, if both the economic and social aspirations of SAARC countries are to be realized. They acknowledged the need to strengthen the individual financial systems of SAARC countries through enhancing institutional capacity, surveillance mechanisms as well as through closer consultations on, and coordination of macro-economic policies where appropriate.

17. The Heads of State or Government recognized that notwithstanding all national and regional endeavours for economic development and financial stability, the pervasive global economic environment continued to exert a major, sometimes negative influence on the outcome of these endeavours.

18. Against this background of the need to address systemic issues, they agreed on the vital imperative for strengthened cooperation among SAARC Members to identify, analyze and effectively contend with the complex multi-faceted challenges inherent in the global economic environment that is changing so

radically, particularly in this last decade preceding the new millennium. They acknowledged the need to enhance the collective capacity of SAARC in respect of policy analysis, with a specific emphasis on international financial, monetary, trade and investment issues and their domestic ramifications.

19. The Heads of State or Government also expressed their abhorrence over the practice of imposition of unilateral coercive economic measures as an instrument of policy against developing countries. They called for their immediate cessation.

20. They stressed the need for more efficient capacity building to enable informed decision-making in these areas to enable innovative collective intervention to safeguard South Asian interests in international negotiations, as well as to develop some edge for effective leverage in such negotiations. The Heads of State or Government agreed on the urgent need for harnessing the rich intellectual and resource capacity of South Asia for this purpose.

21. The Heads of State or Government requested Sri Lanka, as Chairperson of the 10th Summit, to conduct consultations with Member States for the convening of a network of researchers comprising members of the Private Sector, Central Banks, Planning Ministries, Research Institutes and eminent economists nominated by Governments to identify, analyse and help SAARC faced up to current global, financial and economic developments affecting the region. They requested Sri Lanka to co-ordinate on necessary practical measures while keeping Member States informed in the matter. Heads of State or Government welcomed the offer of Sri Lanka to host a meeting in Colombo of representatives of SAARC, nominated by their Governments to study the matter further and report with practical recommendations on the matter in advance of the 21st Session of the Council of Ministers to facilitate early decisions.

ACCELERATION OF ECONOMIC COOPERATION

22. The Heads of State or Government assessed progress made in the two rounds of negotiations already undertaken under SAPTA. They decided that the

third round should be concluded well before the Twenty-first Session of the Council of Ministers. The Heads of State or Government decided that to accelerate progress in the next round of SAPTA negotiations, deeper preferential tariff concessions should be extended to products which are being actively traded, or are likely to be traded, among Members; that discriminatory practices and non-tariff barriers should be simultaneously removed on items in respect of which tariff concessions are granted or have been granted earlier. Measures to remove structural impediments should also be taken in order to move speedily towards the goal of SAFTA. They also directed that domestic content requirements under SAPTA Rules of Origin should be reduced and that the SAPTA Committee of Participants should meet by mid-October '98 in Colombo to finalise the extent of reduction in keeping with the decision of the Second SAARC Commerce Ministers' Meeting. The Heads of State or Government reaffirmed that measures to enable smaller and Least Developed Countries to benefit equitably from economic liberalization were specially important.

23. The Heads of State or Government reiterated the importance of achieving SAFTA as mandated by the Ninth SAARC Summit. To this end they decided that a Committee of Experts, in consultation with Member States, be constituted with specific Terms of Reference (TOR) to work on drafting a comprehensive treaty regime for creating a free trade area. The Heads of State or Government expressed the view that such a treaty must incorporate, among other things, binding time-frames for freeing trade, measures to facilitate trade, and provisions to ensure an equitable distribution of benefits of trade to all states, especially for smaller and least developed countries, including mechanisms for compensation of revenue loss. They emphasised the importance of finalising the text of the regulatory framework by the year 2001.

24. The Heads of State or Government agreed that the benefits of economic liberalization would be more extensive and better balanced through the promotion of trade-creating joint ventures, investment and trade in services such as tourism.

25. The Heads of State or Government noted with satisfaction the outcome of the Second Meeting of the SAARC Commerce Ministers in Islamabad and welcomed their decision to coordinate SAARC's position on issues of common concern at the WTO. They welcomed in this connection the Declaration issued by the SAARC Commerce Ministers on the eve of the Second WTO Ministerial Meeting in Geneva, setting out a SAARC approach on these issues. Recognizing that critical issues would be decided at the Third WTO Ministerial Conference in the USA in 1999, the Heads of State or Government urged SAARC Commerce Ministers to work closely with a view to evolving better co-ordinated positions on all issues. They directed the Consultative Group of SAARC Permanent Representatives to the WTO at Geneva to consult closely with like-minded countries to advance the interests of developing countries at all WTO Conferences.

26. The Heads of State or Government noted the progress made in preparations for the Second SAARC Trade Fair to be held in Sri Lanka from September 8-15, 1998. The Heads of State or Government welcomed the offer of Bangladesh to host the Third Meeting of SAARC Commerce Ministers in 1999 and the offer of Pakistan to stage the Third SAARC Trade Fair in 1999.

PEOPLE TO PEOPLE CONTACT

27. The Heads of State or Government noted arrangements being finalized by Sri Lanka to host the First SAARC Film Festival in Colombo in 1998 in commemoration of the 50th Anniversary of the Independence of Sri Lanka.

28. The Heads of State or Government stressed that more convenient travel connections between SAARC countries were essential to facilitate fruitful interaction among people in the region, in particular, professional groups, creative artistes, pilgrims and journalists.

29. The Heads of State or Government considered means of encouraging more productive co-operation and collaboration between governments and the private

sectors, including in the commissioning of studies relating to regional economic interaction.

30. They welcomed the contribution made by the SAARC Chamber of Commerce and Industry in facilitating the engagement of the private sector in regional economic interaction as well as initiating linkages with other regions for the purpose of promoting SAARC exports. The Heads of State or Government noted that a document entitled "Road Map to SAFTA" was presented by the President of the SAARC Chamber of Commerce and Industry (SCCI) to the Chairperson of the Twentieth Session of the Council of Ministers.

LINKS WITH OTHER INTERNATIONAL AND REGIONAL ORGANIZATIONS

31. The Heads of State or Government noted links initiated between SAARC and other international and regional organizations. They considered the prospects for the development of SAARC projects and programmes in association with such organizations with which SAARC has cooperative arrangements as well as through other forms of cooperation. The Heads of State or Government were of the view that priority needs to be given in establishing contact with those regional groupings which have experience in economic cooperation and functional regional cooperation.

32. The Heads of State or Government also noted proposals for developing cooperation between SAARC and individual States outside the region. They requested the Council of Ministers to consider such proposals with a view to developing such contacts on the basis of mutual benefit and for the advancement of SAARC objectives.

PROJECTION OF COMMON POSITIONS

33. The Heads of State or Government reiterated their resolve to promote the articulation of joint positions at the United Nations and other fora where such action would be in the clear interest of all members of the Association.

SUB-REGIONAL COOPERATION

34. With the objective of enhancing regional solidarity and promoting overall development within SAARC, the Heads of State or Government encouraged the development of specific projects relevant to the individual needs of three or more Member States under the provisions of Articles VII and X of the Charter.

SECURITY OF SMALL STATES

35. The Heads of State or Government recognized that due to their particular vulnerability, small States require special measures of support from the international community for the safeguarding of their sovereign independence and territorial integrity. They reiterated that real protection of small States should be firmly rooted in scrupulous adherence to the UN Charter, the rule of law and strict adherence to universally accepted principles and norms related to sovereign rights and territorial integrity of all States irrespective of size. This, they stressed should be ensured by all the countries either severally or collectively through the pursuit of appropriate action.

SPECIAL MEASURES FOR LEAST DEVELOPED AND LAND-LOCKED COUNTRIES

36. The Heads of State or Government emphasised the need for priority action on various international development commitments, such as the Paris Declaration and the Programme of Action for LDCs for the 1990s.

37. While noting with deep concern that economic growth in the Least Developed and Land-Locked Countries is not progressing well, the Heads of State or Government stressed the need to take special measures for accelerating the

process of development. They emphasised the need to fulfil the internationally agreed aid targets for ensuring accelerated and sustained economic growth in developing countries particularly in the Least Developed Countries. They stressed on the need for adequate resources to facilitate implementation of economic reform programmes in SAARC countries.

38. The Heads of State or Government emphasised that the review of the criteria for the determination of LDC status for consideration by the United Nations General Assembly this year, must take into account the special significance of the extent and magnitude of incidence of poverty in the poorest countries and the special vulnerabilities of small island states.

EDUCATION AND LITERACY

39. The Heads of State or Government were in agreement that illiteracy was a major impediment to economic development and social emancipation and that the eradication of illiteracy in the Region including through co-operative endeavours within SAARC must continue to be pursued resolutely.

40. The Heads of State or Government noted that the concepts of Open Learning and Distance Education could help substantially towards equal opportunities and access to knowledge. The Heads of State or Government directed that SAARC should build on the substantial expertise already existing in the Region in the field of open education, by establishing a SAARC Forum of Vice Chancellors of Open Universities. This Forum, consisting of regional leaders in the field, should strengthen cooperation in areas such as the sharing and joint development of programmes, credit transfers for specific programmes and the translation of existing programmes.

41. The Heads of State or Government urged the Forum, to spearhead the development of distance education outside the Open University System as well, drawing on the advances in Information Technology, to reach out to the remote and under-privileged sections. They welcomed the offer of Sri Lanka to host a

meeting of Vice-Chancellors of SAARC Open Universities during the last quarter of 1998 to discuss the modalities for the establishment of the Forum and to draw up a programme to achieve the objectives identified by the Heads of State or Government. The Heads of State or Government requested the Forum to report to the Standing Committee on a continuous basis on its programmes.

ERADICATION OF POVERTY IN SOUTH ASIA

42. The Heads of State or Government reiterated the commitment of SAARC to the eradication of poverty in the Region at the earliest possible, preferably by the year 2002. They emphasised the need to encourage maximum participation by target groups in the formulation and implementation of poverty eradication programmes. The Heads of State or Government were of the view that such participation is essential for success of efforts in this field. They stressed the need for effective utilisation of the SAARC Three-Tier Mechanism on Poverty Eradication and in that context welcomed the offer of the Government of Pakistan to host the next meeting of the SAARC Finance/Planning Ministers under the Mechanism in October 1998.

43. The Heads of State or Government noted that the South Asian countries have provided leadership in developing and implementing Micro Credit Programmes, which have immense potential to contribute to the eradication of poverty. They were of the view that their respective programmes in this regard have proven to be effective and Member States would benefit by sharing experiences and exchanging information and expertise in this important area.

44. The Heads of State or Government noted that Human Resource Development is a key element in any poverty eradication programme. The Heads of State or Government, therefore, agreed that once the SAARC Centre for Human Resource Development in Islamabad is established, it could look in to the possibility of its contributing to the strengthening of the human resource development components of the regional poverty eradication programmes.

SOCIAL CHARTER

45. The Heads of State or Government reviewed the progress made in the social sector by SAARC and determined that, in order to increase effectiveness, it would be necessary to develop, beyond national plans of action, a regional dimension of action including a specific role for SAARC. In this context, they agreed that it would be necessary for SAARC to develop a Social Charter, which would focus on drawing up targets with a broad range to be achieved across the region in the areas of poverty eradication, population stabilisation, the empowerment of women, youth mobilisation, human resource development, the promotion of health and nutrition and the protection of children. The Heads of State or Government further directed the Council of Ministers to initiate work on drawing up a Social Charter.

COMMUNICATIONS

46. The Heads of State or Government welcomed the results of the First Conference of SAARC Communication Ministers held in Colombo in May, 1998. They noted that technological advances were making telecommunications an important medium for socio-economic development and developing commercial and business relations as well as promotion of people-to-people contact. They called for the speedy implementation of the Plan of Action adopted by the First Meeting of the SAARC Communication Ministers.

TOURISM

47. The Heads of State or Government recognized that further efforts were required for South Asia to effectively tap the economic potential afforded by the global tourist industry as well as to encourage intra-SAARC tourism. They welcomed the convening of the First SAARC Tourism Ministers' Meeting in

Colombo as a step towards this end and called for the effective implementation of its decisions, including the encouragement of active private sector participation in the promotion of tourism, both intra-regionally and internationally, simplification of visa-procedures for tourists and pilgrims, more convenient air and other travel links among SAARC countries including special regional fares and the co-ordination of activities of tour operators.

48. The Heads of State or Government identified the need to strengthen the existing air services between their respective Capitals, with a view to both facilitating tourism as well as people to people contacts. They called in this regard, for an early meeting of the Chairpersons/Chief Executive Officers of the national air lines.

SCIENCE AND TECHNOLOGY

49. The Heads of State or Government noted that the development of a regional self-reliance capability for South Asia in scientific research and development was essential, given a global context in which barriers to the free flow of technology still remained in place. The Heads of State or Government appreciated the efforts to foster under the SAARC umbrella, collective co-operation in this field.

50. The Heads of State or Government welcomed the offer by the Government of India to hold a Special Meeting of SAARC Science and Technology Ministers to consider a SAARC Technology Initiative to identify and implement specific regional projects in rural areas which would have the direct impact in improving the day-to-day life of people there. Such an initiative could include rural telecommunications, drinking water and sanitation and improvement of life standards.

51. The Heads of State or Government reiterated their earlier call for the effective and rapid institutionalization of SAARC co-operation in the field of biotechnology. They pointed out that South Asia with its vast reservoir of biodiversity and tropical climate, has substantial potential for bio-industry

development on a sustainable basis. Many of the food and nutritional needs of the SAARC region could be met by the application of bio-technology. Contemporary developments in intellectual property and patent law, moreover, heightened the need for vigilance against encroachment on the regional bio-diversity heritage by external entities.

52. The Heads of State or Government accordingly requested the Standing Committee, with assistance of the SAARC Secretariat, to report to the forthcoming Twenty-First Session of the Council of Ministers on practical and cost effective measures towards rapidly operationalising SAARC cooperation in bio-technology.

ENVIRONMENT

53. The Heads of State or Government expressed their deep satisfaction at the positive outcome of the Environment Ministers' Conference held in Malé in October 1997, and called for the effective and early implementation of the SAARC Environment Action Plan. In this context, they welcomed the offer of Maldives to prepare a feasibility study on the establishment of a Coastal Zone Management Centre. The Heads of State or Government also committed their governments to prepare National Environment Action Plans and State of the Environment Reports before the end of 1998.

54. The Heads of State or Government expressed their satisfaction over the adoption of a common position by Member States prior to the Third Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Kyoto, Japan and welcomed the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change in December 1997, and underscored the importance of the Protocol for the protection of the climate system. They urged all industrial countries to ratify the Protocol and to undertake urgent and effective steps to implement the

commitments undertaken by them to reduce their emissions of green-house gases.

55. The Heads of State or Government also emphasised the need for complementary action by organisations and institutions in the region in their efforts to protect the environment and achieve sustainable development in the region.

56. The Heads of State or Government noted that the SAARC Environment Ministers would be meeting in Sri Lanka in late 1998. They urged that the Ministers should at this forthcoming meeting also mandate any specific measures required for SAARC to further strengthen cooperation on environment issues, with other international or regional organizations engaged in the same field.

YOUTH

57. The Heads of State or Government affirmed the importance they attached to providing adequate opportunities to youth in South Asia to participate productively in national development and underscored the need for developing programmes in this regard at the national and regional levels.

CHILDREN

58. Recalling targets and objectives set out in the Rawalpindi Declaration of 1996, the Heads of State or Government noted that the 1997 Review of the Situation of Children in South Asia had revealed progress in the reduction of infant mortality and increased coverage of immunization programmes. They stressed, however, that continued efforts required to be sustained in these areas. Serious efforts were also required in respect of education for all children and the reduction of gender disparities. In addition to national programmes, the Heads of State or Government called for the identification of practical regional programmes which could benefit from cooperation with relevant regional and international

organisations with which SAARC has cooperative arrangements for the promotion of the welfare of children.

59. The Heads of State or Government condemned the exploitation of children by terrorist groups in hostilities and called for special measures for the psychological, physical and social rehabilitation of child victims. In this respect, the Heads of State or Government noted the initiative taken by Maldives in pursuance of their directive at the Ninth SAARC Summit in drafting the Convention on Regional Arrangements for the Promotion of Child Welfare in South Asia. They welcomed the offer of Maldives to hold an Expert Group Meeting to finalise the draft Convention for its adoption at the Eleventh SAARC Summit.

SITUATION OF WOMEN AND THE GIRL CHILD

60. The Heads of State or Government noted that many groups of women and girl children in South Asia continue to be in disadvantaged positions and lack equal opportunities for economic and social development. They were of the view that sustained efforts and practical affirmative action was required to offset the effects of discriminatory, social and psychological perceptions and to empower women through affirmative action, including where necessary, legislative measures. The Heads of State or Government condemned in particular violence against women and acts of discrimination and humiliation which tend to depress the status of women. They also expressed concern over the plight of women and girl children in situations of conflict. Equal opportunities in education, health facilities and nutrition were vital for the integration of women in the mainstream of national development. They agreed to work in close association, where possible, with professional and other women's groups in the region to ameliorate their conditions.

61. The Heads of State or Government recalled that the Ninth SAARC Summit expressed concern at the trafficking of women and children within and between

countries and pledged to coordinate efforts of Member States to take effective measures to address this problem. In this context, they welcomed the finalisation of the draft text on the Regional Convention on Combating the Crime of Trafficking in Women and Children for Prostitution and noted that this would be a vital instrument in dealing with this problem. They approved that the Convention be signed at the Eleventh SAARC Summit.

62. The Heads of State or Government also recommended that the feasibility of establishing a Regional Fund for Rehabilitation of Victims of Trafficking in Women and Children for Prostitution on a voluntary basis may be explored.

63. The Heads of State or Government were also of the view that the scope of the Convention should be broadened to cover purposes other than prostitution.

64. The Heads of State or Government noted that a gender disaggregated database on the basis of data provided by Member States would be a valuable means of assisting the formulation of national and regional policies and programmes in respect of women and the girl child.

HEALTH

65. The Heads of State or Government noted the rich heritage of traditional systems of medicine (TSM) in the region. They observed that regional cooperation in this area would be worthwhile and relevant for meeting basic health needs. They welcomed the offer of India to host the First Health Ministers Conference to evolve proposals for cooperation in this field.

66. The Heads of State or Government urged that the regional pharmaceutical industries should strengthen cooperation. They were further of the view that the Member States could establish Action Committees in terms of Article VII of the SAARC Charter for such cooperation, if required.

DISABLED PERSONS

67. The Heads of State or Government recalled the Islamabad Resolution on Disabled Persons and underscored the importance of having a very definite humanistic approach to ensuring the welfare of the 100 million disabled persons of this region. In this respect, the Heads of State or Government accepted the proposal of the Prime Minister of Bangladesh for the establishment of a SAARC Voluntary Fund for Disabled Persons.

INFORMATION

68. The Heads of State or Government welcomed the recommendations of the First Meeting of SAARC Information Ministers held in Dhaka in April, 1998 and the offer of Pakistan to host the Second Meeting of Information Ministers of SAARC Countries.

69. The Heads of State or Government called for concerted endeavours for the promotion of practical programmes among South Asian countries, including through professional organizations, in the field of information and media exchanges benefitting from technological advances. Such action would help promote deeper understanding of issues common to the region, as well as to project a more balanced view of developments in the region. They welcomed the offer of India to host the First Meeting of SAARC Editors and Journalists.

TERRORISM AND DRUG TRAFFICKING

70. The Heads of State or Government recognized that the Member States and peoples of South Asia continue to face the serious threat of terrorism in all its forms and manifestations and drug trafficking. They reiterated their firm commitment to combat these activities in the region. They emphasized the urgent need to complete enabling legislation in order to implement the SAARC Regional Conventions on Suppression of Terrorism and on Narcotic Drugs and Psychotropic Substances.

71. The Heads of State or Government urged all Member States to enhance cooperation against terrorism, wherever, by whomever, against whoever it occurs and to fully observe and implement the SAARC Regional Convention on Terrorism.

72. The Heads of State or Government affirmed that criminal acts intended to provoke a state of terror in the general public, a group of persons or particular persons, for whatever purposes, are unjustifiable in any circumstances.

73. The Heads of State or Government recalled the adoption of the 1996 UN Declaration on Measures to Eliminate International Terrorism and urged all Member States to work towards its implementation. They called for international action to prevent the abuse of Refugee Conventions and to halt activities which help terrorist groups to collect funds for their activities in South Asia.

74. The Heads of State or Government noted that two SAARC Conferences on Cooperation in Police Matters had been held since 1996. They called for the continued sharing of expertise with regard to the different areas of police investigation, and investigation of organized crime and drug related crimes.

UNIVERSAL DECLARATION OF HUMAN RIGHTS

75. The Heads of State or Government taking note of the 50th Anniversary of the Universal Declaration of Human Rights, reaffirmed their commitment to the further promotion of human rights and fundamental freedoms by strengthening the respective national institutions in South Asia in this field. The Leaders agreed that tolerance and mutual accommodation, combined with the strengthening of participatory governance, constituted the foundation for the sustainable economic and social development of the SAARC region.

INTERNATIONAL POLITICAL DEVELOPMENTS

76. The Heads of State or Government consulted informally on a range of international issues, particularly those which have a bearing on South Asia. They re-affirmed their strong commitment to the purposes and principles of the UN Charter and agreed that their delegations would work closely in the ongoing negotiations for the reform and strengthening of the UN system, so that the Organisation could be more democratic, efficient and financially viable and responsive to the interests of its membership, especially developing countries.

77. The Heads of State or Government also underscored the importance of the role of the Non-Aligned Movement in promoting a just and equitable global order and called for the further enhancing of the efforts of the Movement to influence positively contemporary international relations. In this context, they expressed full confidence that the Twelfth Summit of the Movement scheduled to take place in South Africa would contribute towards augmenting the Movement's effectiveness.

78. The Heads of State or Government were of the view that stability, peace and security in South Asia could not be considered in isolation of the global security environment. Although great power rivalry which the NAM had consistently opposed, no longer posed a serious threat and the danger of a global nuclear conflagration had abated, yet some States had sought to maintain huge arsenals of nuclear weapons. The NPT and the CTBT, to which some SAARC members were signatories, had not led to any progress towards nuclear disarmament nor prevented proliferation. They underscored their commitment to the complete elimination of nuclear weapons and the need for promoting nuclear disarmament on a universal basis, under effective international control. They recognised that global non-proliferation goals cannot be achieved in the absence of progress towards nuclear disarmament and in this context called upon all nuclear weapon states, whether party or non-party to the NPT to engage constructively through a transparent and credible process of negotiations at the Conference on Disarmament.

79. The Heads of State or Government therefore urged the Conference on Disarmament to commence negotiations on a comprehensive, universal and non-

discriminatory international instrument prohibiting the use or the threat of nuclear weapons as well as eliminating such weapons in existing arsenals.

80. The Heads of State or Government noted the outcome of the recent UN Diplomatic Conference on the establishment of an International Criminal Court and the fact that the Conference had not addressed such issues as the crime of drug trafficking and the crime of terrorism with its use of indiscriminate violence aimed at innocent civilians and use of weapons of mass destruction. They emphasised the need to ensure that the proposed Court should respect the sovereignty of States consistent with the principle of complementarity with national jurisdiction on which the Statute of the Court is based.

81. The Heads of State or Government welcomed the enhanced status accorded to Palestine at UN fora. They however expressed growing concern at numerous setbacks affecting the peace process in the Middle East, including illegal attempts to change the jurisdiction and borders of Jerusalem. They re-affirmed their support for the achievement of a just, lasting and comprehensive peace based on Security Council Resolution 242 (1967) and Resolution 338 (1973) to restore the inalienable national rights of the Palestinian people.

82. The Heads of State or Government called for intensification of efforts for promoting peace and stability at the global and regional levels for realising universal progress and prosperity.

DATES AND VENUE OF THE ELEVENTH MEETING OF THE HEADS OF STATE OR GOVERNMENT

83. The Heads of State or Government accepted with deep appreciation the offer of His Majesty's Government of Nepal to host the Eleventh SAARC Summit in the second half of 1999.

84. The Heads of State or Government of Bangladesh, Bhutan, India, the Maldives, Nepal and Pakistan expressed their appreciation for the skilful manner

in which the President of the Democratic Socialist Republic of Sri Lanka had conducted the meeting and guided its deliberations, in her capacity as Chairperson. They also expressed their deep gratitude for the warm and generous hospitality extended to them by the Government and the people of Sri Lanka and the excellent arrangements made for the Summit and the meetings preceding it.

Appendix-11

THE ELEVENTH SAARC SUMMIT

Kathmandu

DECLARATION

SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

DECLARATION

The Declaration of the eleventh SAARC Summit of the Heads of State or Government of Member Countries of the South Asian Association for Regional Cooperation issued in Kathmandu, Nepal on 4 to 6 January 2002.

Introduction

The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia; the Prime Minister of the Royal Government of Bhutan, His Excellency Lyonpo Khandu Wangchuk; the Prime Minister of the Republic of India, His Excellency Mr. Atal Behari Vajpayee; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of the Kingdom of Nepal, Right Honourable Mr. Sher Bahadur Deuba; the President of the Islamic Republic of Pakistan, His Excellency General Pervez Musharraf; and the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Eleventh Summit meeting of the South Asian Association for Regional Cooperation (SAARC) in Kathmandu, Nepal from 4 to 6 January 2002.

Regional Cooperation

1. The Heads of State or Government reaffirmed their commitment to regional cooperation through SAARC and underscored the importance of annual Summit meetings in charting common strategies for the realization of the objectives and principles set out in the Charter of the Association. Meeting for the first time at the dawn of the new millennium, they solemnly renewed their pledge to strengthen the Association and make it more cohesive, result oriented, and forward looking, by adopting clearly defined programs and effective

implementation strategies in line with popular expectations. To give effect to the shared aspirations for a more prosperous South Asia, the Leaders agreed to the vision of a phased and planned process eventually leading to a South Asian Economic Union.

2. The Heads of State or Government stressed that equitable sharing of the benefits of regional cooperation is essential to achieve and maintain a minimum acceptable level of economic and social development in each Member State. To this end, they expressed their commitment to a speedier process of harmonizing their policies and practices and imbibing regional goals and strategies in their national development programs.
3. The Heads of State or Government expressed their firm determination to fully benefit from the wealth of traditional wisdom, creativity and enterprise in the region. They also pledged to enhance transparency and accountability in governance and to encourage effective participation of the peoples and civil societies in the formulation as well as implementation of the programs of cooperation.
4. Reiterating their resolve to promote South Asian regional identity and to strengthen cooperation at the international level, the Heads of State or Government also reemphasized the need to evolve common positions on issues of shared interest at the international fora.

Cooperation in the Economic Sector

5. The Heads of State or Government agreed to accelerate cooperation in the core areas of trade, finance and investment to realize the goal of an integrated South Asian economy in a step-by-step manner. They expressed their determination to make full use of regional synergy to maximize the benefits of globalisation and liberalization and to minimize their negative impacts on the region. While recognizing that trade and economic expansion is closely inter-linked, the Leaders made a commitment to widen and deepen the scope of regional networks of activities in trade and financial matters.
6. The Heads of State or Government noted with satisfaction the outcomes of the successive meetings of the SAARC Commerce Ministers aimed at enlarging the scope of cooperation in the core areas. They recognised the importance of

achieving a free trade area and reaffirmed that the treaty regime for creating a free trade area must incorporate, inter alia, binding timeframes for freeing trade, measures to facilitate trade and provisions to ensure an equitable distribution of benefits of trade to all states, especially for small and least developed countries, including mechanisms for compensation of revenue loss.

7. Recognising the need to move quickly towards a South Asian Free Trade Area, the Heads of State or Government directed the Council of Ministers to finalize the text of the Draft Treaty Framework by the end of 2002. They also directed that in moving towards the goal of SAFTA, the Member States expedite action to remove tariff and non-tariff barriers and structural impediments to free trade. They also instructed to conclude the meeting of the Inter Governmental Group on Trade Liberalization for the Fourth Round of Trade Negotiations under SAPTA as early as possible as per the decision of the Tenth SAARC Summit in Colombo.
8. The Heads of State or Government renewed their commitment to encourage the participation of the private sector and assured their full support for their socially responsible economic initiatives. While welcoming the practice of holding trade fairs in cooperation with the private sector at the regional level, they appreciated the efforts of the SAARC Chamber of Commerce and Industry to promote regional economic cooperation in the spirit of public and private sector partnership.
9. The Heads of State or Government also decided to instruct the Secretary-General to facilitate the early finalization of a regionally agreed investment framework to meet investment needs of the SAARC Member States.
10. The Heads of State or Government recognized the immense tourism potential of South Asia and underlined the need to take measures to promote South Asia as a common tourist destination through joint efforts in areas such as upgrading of infrastructure, air linkages, simplification and harmonization of administrative procedures and training and joint marketing.

Poverty Alleviation

11. The Heads of State or Government acknowledged that investment in poverty alleviation programs contributes to social stability, economic progress and overall

prosperity. They were of the view that widespread and debilitating poverty continued to be the most formidable developmental challenge for the region. Conscious of the magnitude of poverty in the region, and recalling also the decision of the UN Millennium Summit 2000 to reduce world poverty in half by 2015, and also recalling the commitments made at the five year review of the World Summit for Social Development to reduce poverty through enhanced social mobilization, the Heads of State or Government made a review of the SAARC activities aimed at poverty alleviation and decided to reinvigorate them in the context of the regional and global commitments to poverty reduction.

12. The Heads of State or Government expressed their firm resolve to combat the problem of poverty with a new sense of urgency by actively promoting the synergetic partnership among national governments, international agencies, the private sector, and the civil society. They reaffirmed their pledge to undertake effective and sustained poverty alleviation programs through pro-poor growth strategies and social as well as other policy interventions with specific sectoral targets. The Leaders also agreed to take immediate steps for the effective implementation of the programs for social mobilization and decentralization, and for strengthening institution building and support mechanisms to ensure participation of the poor, both as stake-holder and beneficiary, in governance and the development process.
13. The Heads of State or Government decided to undertake sustained measures to extend rural micro-credit programs with focus on women and the disadvantaged sections of society. They also stressed the need for widening the opportunities for gainful employment. While highlighting the importance of promoting agriculture, indigenous skills and small scale and cottage industries to address the incidence of rural poverty, they decided to enhance cooperation in agricultural research, extension and adoption. They specifically instructed that the Technical Committees should identify programmes and activities that impact on poverty alleviation. They urged the need to create gainful employment and promote cooperation in vocational training.
14. The Heads of State or Government emphasized the need to promote sharing of the best practices and experiences among the Member States and to this end,

instructed the Secretary-General to disseminate such information to the Member States on a regular basis. They directed the Council of Ministers to review, on a continuous basis, the regional poverty profile to be prepared by the Secretary-General with the assistance of the related UN agencies, nodal agencies and independent research institutions specialized in the field.

15. In order to ensure social stability and to protect the vulnerable sections of population from the adverse impacts of globalisation and liberalization, the Heads of State or Government stressed the need to enhance cooperation to create and maintain appropriate safety nets.
16. The Heads of State or Government agreed that a Special Session on poverty alleviation at the Ministerial level should undertake a comprehensive review and evaluation of the status of implementation of poverty eradication policies and programs carried out so far, and to recommend further concrete measures to enhance effective cooperation at the regional level to the Twelfth SAARC Summit. They also directed the Council of Ministers to take necessary steps to fully activate the existing three-tier mechanism for poverty alleviation.
17. The Leaders directed the Council of Ministers to coordinate efforts to integrate poverty alleviation programs into the development strategies of Member States. In this context, they agreed to reconstitute the Independent South Asian Commission on Poverty Alleviation, with Nepal as its Convener and Bangladesh as Co-convenor, for reviewing the progress made in cooperation on poverty alleviation and for suggesting appropriate and effective measures. They instructed the Chairman of the Council of Ministers to seek two nominations from each Member State by end of January 2002 to enable the convening of its first meeting before the proposed Ministerial Meeting on Poverty Alleviation in Pakistan in April 2002.
18. Expressing concern at the region's special vulnerability in the slowdown in world economy and its negative impact on the poor and the marginalized, the Heads of State or Government called for a supportive international environment and an enhanced level of assistance by the international community for poverty alleviation programs in South Asia.

Cooperation in the Social and Cultural Sector

19. The Heads of State or Government reiterated the need for an early finalisation of the SAARC Social Charter and instructed the Inter Governmental Expert Group to expedite their work on the basis of the draft to be submitted by the Secretary-General, as a working paper for its consideration and to complete the draft framework of the Charter as early as possible for consideration at the next meeting of the Council of Ministers. In drawing up the Charter, they also directed the Council of Ministers to include the important areas of poverty eradication, population stabilization, the empowerment of women, youth mobilization, human resources development, the promotion of health and nutrition and the protection of children as decided at the Tenth Summit.

Appendix-12

AGREEMENT ON SAPTA

Preamble:

The Government of the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States", Motivated by the commitment to promote regional cooperation for the benefit of their peoples, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Aware that the expansion of trade could act as a powerful stimulus to the development of their national economies, by expanding investment and production, thus providing greater opportunities of employment and help securing higher living standards for their population; Convinced of the need to establish and promote regional preferential trading arrangement for strengthening intraregional economic cooperation and the development of national economies; Bearing in mind the urgent need to promote the intraregional trade which presently constitutes a negligible share in the total volume of the South Asian trade;

Recalling the direction given at the Fourth SAARC Summit meeting held in Islamabad in December 1988 that specific areas be identified where economic cooperation might be feasible immediately; Guided by the declared commitment of the Heads of State or Government of the Member Countries at the Sixth SAARC Summit held in Colombo in December 1991 to the liberalisation of trade in the region through a step by step approach in such a manner that countries in the region share the benefits of trade expansion equitably;

Cognizant of the mandate given by the Sixth SAARC Summit in Colombo to formulate and seek agreement on an institutional framework under which specific measures for trade liberalisation among SAARC Member States could be furthered and to examine the

Sri Lankan proposal to establish the SAARC Preferential Trading Arrangement (SAPTA) by 1997; Recognising that a preferential trading arrangement is the first step towards higher levels of trade and economic cooperation in the region,

Have agreed as follows:

Article:1

Definitions for the purpose of this Agreement:

(1) "Least Developed Country" means a country designated as such by the United Nations.

(2) "Contracting State" means any Member State of the South Asian Association for Regional Cooperation (SAARC) which has entered into this Agreement.

(3) "Serious injury" means significant damage to domestic producers, of like or similar products resulting from a substantial increase of preferential imports in situations which cause substantial losses in terms of earnings, production or employment unsustainable in the short term. The examination of the impact on the domestic industry concerned shall also include an evaluation of other relevant economic factors and indices having a bearing on the state of the domestic industry of that product.

(4) "Threat of serious injury" means a situation in which a substantial increase of preferential imports is of a nature to cause "serious injury" to domestic producers, and that such injury, although not yet existing, is clearly imminent. A determination of threat of serious injury shall be based on facts and not on mere allegation, conjecture, or remote or hypothetical possibility.

(5) "Critical circumstances" means the emergence of an exceptional situation where massive preferential imports are causing or threatening to cause "serious injury" difficult to repair and which calls for immediate action.

(6) "Sectoral basis" means agreements amongst Contracting States regarding the removal or reduction of tariff, nontariff and paratariff barriers as well as other trade promotion or cooperative measures for specified products or groups of products closely

related in enduse or in production. (7) "Direct trade measures" means measures conducive to promoting mutual trade of Contracting States such as long and mediumterm contracts containing import and supply commitments in respect of specific products, buyback arrangements, state trading operations, and government and public procurement.

(8) "Tariffs" means customs duties included in the national tariff schedules of the Contracting States. (9) "Paratariffs" means border charges and fees, other than "tariffs", on foreign trade transactions of a tarifflike effect which are levied solely on imports, but not those indirect taxes and charges, which are levied in the same manner on like domestic products. Import charges corresponding to specific services rendered are not considered as paratariff measures.

(10) "Nontariffs" means any measure, regulation, or practice, other than "tariffs" and "paratariffs", the effect of which is to restrict imports, or to significantly distort trade.

(11) "Products" means all products including manufactures and commodities in their raw, semiprocessed and processed forms.

Article: 2 Establishment and Aims

1. By the present Agreement, the Contracting States establish the SAARC Preferential Trading Arrangement (SAPTA) to promote and sustain mutual trade and the economic cooperation among the Contracting States, through exchanging concessions in accordance with this Agreement.
2. SAPTA will be governed by the provisions of this Agreement and also by the rules, regulations, decisions, understandings and protocols to be agreed upon within its framework by the Contracting States.

Article: 3 Principles SAPTA shall be governed in accordance with the following principles:

- (a) SAPTA shall be based and applied on the principles of overall reciprocity and mutuality of advantages in such a way as to benefit equitably all Contracting States, taking into account their respective levels of economic and industrial development, the pattern of their external trade, trade and tariff policies and systems;

(b) SAPTA shall be negotiated step by step, improved and extended in successive stages with periodic reviews;

(c) The special needs of the Least Developed Contracting States shall be clearly recognised and concrete preferential measures in their favour should be agreed upon;

(d) SAPTA shall include all products, manufactures and commodities in their raw, semiprocessed and processed forms.

Article: 4 Components SAPTA may, interalia, consist of arrangements relating to:

(a) tariffs;

(b) paratariffs;

(c) nontariff measures;

(d) direct trade measures.

Article: 5

Negotiations:

1. The Contracting States may conduct their negotiations for trade liberalisation in accordance with any or a combination of the following approaches and procedures:

(a) Product by product basis;

(b) Across the board tariff reductions;

(c) Sectoral basis;

(d) Direct trade measures.

2. Contracting States agreed to negotiate tariff preferences initially on a productbyproduct basis.

3. The Contracting States shall enter into negotiations from time to time with a view to further expanding SAPTA and the fuller attainment of its aims.

Article: 6

Additional Measures:

1. Contracting States agree to consider, in addition to the measures set out in Article 4, the adoption of trade facilitation and other measures to support and complement SAPTA to mutual benefit.
2. Special consideration shall be given by Contracting States to requests from Least Developed Contracting States for technical assistance and cooperation arrangements designed to assist them in expanding their trade with other Contracting States and in taking advantage of the potential benefits of SAPTA. The possible areas for such technical assistance and cooperation are listed in Annex I.

Article: 7 Schedules of Concessions:

The tariff, paratariff and nontariff concessions negotiated and exchanged amongst Contracting States shall be incorporated in the National Schedules of Concessions. The initial concessions agreed to by the Contracting States are attached as Annex II.

Article: 8 Extension of Negotiated Concessions:

The concessions agreed to under SAPTA, except those made exclusively to the Least Developed Contracting States in pursuance of Article 10 of this Agreement, shall be extended unconditionally to all Contracting States.

Article: 9 Committee of Participants:

A Committee of Participants, hereinafter referred to as the Committee, consisting of representatives of Contracting States, is hereby established. The Committee shall meet at least once a year to review the progress made in the implementation of this Agreement and to ensure that benefits of trade expansion emanating from this Agreement accrue to all Contracting States equitably. The Committee shall also accord adequate opportunities for consultation on representations made by any Contracting State with respect to any matter affecting the implementation of the Agreement. The Committee shall adopt appropriate measures for settling such representations. The Committee shall determine its own rules of procedures.

Article: 10

Special Treatment for the Least Developed Contracting States:

In addition to other provisions of this Agreement, all Contracting States shall provide, wherever possible, special and more favourable treatment exclusively to the Least Developed Contracting States as set out in the following subparagraphs:

- (a) Dutyfree access, exclusive tariff preferences or deeper tariff preferences for the export products,
- (b) The removal of nontariff barriers,
- (c) The removal, where appropriate, of paratariff barriers,
- (d) The negotiations of longterm contracts with a view to assisting Least Developed Contracting States to achieve reasonable levels of sustainable exports of their products,
- (e) Special consideration of exports from Least Developed Contracting States in the application of safeguard measures,
- (f) Greater flexibility in the introduction and continuance of quantitative or other restrictions provisionally and without discrimination in critical circumstances by the Least Developed Contracting States on imports from other Contracting States.

Article: 11 Nonapplication:

Notwithstanding the measures as set out in Articles 4 and 6, the provisions of this Agreement shall not apply in relation to preferences already granted or to be granted by any Contracting State to other Contracting States outside the framework of this Agreement, and to third countries through bilateral, plurilateral and multilateral trade agreements, and similar arrangements. The Contracting States shall also not be obliged to grant preferences in SAPTA which impair the concession extended under those agreements.

Article: 12 Communication, Transport and Transit:

Contracting States agree to undertake appropriate steps and measures for developing and improving communication system, transport infrastructure and transit facilities for accelerating the growth of trade within the region.

Article: 13 Balance of Payments Measures:

1. Notwithstanding the provisions of this Agreement, any Contracting State facing serious economic problems including balance of payments difficulties may suspend provisionally the concessions as to the quantity and value of merchandise permitted to be imported under the Agreement. When such action has taken place, the Contracting State which initiates such action, shall simultaneously notify the other Contracting States and the Committee.

2. Any Contracting State which takes action according to paragraph 1 of this Article shall afford, upon request from any other Contracting State, adequate opportunities for consultations with a view to preserving the stability of the concessions negotiated under the SAPTA. If no satisfactory adjustment is effected between the Contracting States concerned within 90 days of such notification, the matter may be referred to the Committee for review.

Article: 14 Safeguard Measures:

If any product, which is a subject of a concession with respect to a preference under this Agreement, is imported into the territory of a Contracting State in such a manner or in such quantities as to cause or threaten to cause, serious injury in the importing Contracting State, the importing Contracting State concerned may, with prior consultations, except in critical circumstances, suspend provisionally without discrimination, the concession accorded under the Agreement. When such action has taken place the Contracting State which initiates such action shall simultaneously notify the other Contracting State(s) concerned and the Committee shall enter into consultations with the concerned Contracting State and endeavour to reach mutually acceptable agreement to remedy the situation.

In the event of the failure of the Contracting States to resolve the issue within 90 days of the receipt of original notification, the Committee of Participants shall meet within 30 days to review the situation and try to settle the issue amicably. Should the consultations in the Committee of Participants fail to resolve the issue within 60 days, the parties affected by such action shall have the right to withdraw equivalent concession(s) or other obligation(s) which the Committee does not disapprove of.

Article: 15 Maintenance of the Value of Concessions:

Any of the concessions agreed upon under this Agreement shall not be diminished or nullified, by the application of any measures restricting trade by the Contracting States except under the provisions as spelt out in other Articles of this Agreement.

Article: 16 Rules of Origin:

Products contained in the National Schedules of Concessions annexed to this Agreement shall be eligible for preferential treatment if they satisfy the rules of origin, including special rules of origin, in respect of the Least Developed Contracting States.

Article: 17 Modification and Withdrawal of Concessions:

1. Any Contracting State may, after a period of three years from the day the concession was extended, notify the Committee of its intention to modify or withdraw any concession included in its appropriate schedule.
2. The Contracting State intending to withdraw or modify a concession shall enter into consultation and/or negotiations, with a view to reaching agreement on any necessary and appropriate compensation, with Contracting States with which such concession was initially negotiated and with any other Contracting States that have a principal or substantial supplying interest as may be determined by the Committee.
3. Should no agreement be reached between the Contracting States concerned within six months of the receipt of notification and should the notifying Contracting State proceed with its modification or withdrawal of such concessions, the affected Contracting States as determined by the Committee may withdraw or modify equivalent concessions in their appropriate schedules. Any such modification or withdrawal shall be notified to the Committee.

Article: 18 Withholding or Withdrawal of Concessions:

A Contracting State shall at any time be free to withhold or to withdraw in whole or in part any item in its schedule of concessions in respect of which it determines that it was

initially negotiated with a State which has ceased to be a Contracting State in this Agreement. A Contracting State taking such action shall notify the Committee, and upon request, consult with Contracting States that have a substantial interest in the product concerned.

Article: 19 Consultations:

1. Each Contracting State shall accord sympathetic consideration to and shall afford adequate opportunity for consultations regarding such representations as may be made by another Contracting State with respect to any matter affecting the operation of this Agreement.
2. The Committee may, at the request of a Contracting State, consult with any Contracting State in respect of any matter for which it has not been possible to find a satisfactory solution through such consultation under paragraph 1 above.

Article: 20 Settlement of Disputes

Any dispute that may arise among the Contracting States regarding the interpretation and application of the provisions of this Agreement or any instrument adopted within its framework shall be amicably settled by agreement between the parties concerned. In the event of failure to settle a dispute, it may be referred to the Committee by a party to the dispute. The Committee shall review the matter and make a recommendation thereon within 120 days from the date on which the dispute was submitted to it. The Committee shall adopt appropriate rules for this purpose.

Article: 21 Withdrawal from SAPTA:

1. Any Contracting State may withdraw from this Agreement at any time after its entry into force. Such withdrawal shall be effective six months from the day on which written notice thereof is received by the SAARC Secretariat, the depositary of this Agreement. That Contracting State shall simultaneously inform the Committee of the action it has taken.
2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date.

3. Following the withdrawal by any Contracting State, the Committee shall meet within 30 days to consider action subsequent to withdrawal.

Article: 22 Entry into Force:

This Agreement shall enter into force on the thirtieth day after the notification issued by the SAARC Secretariat regarding completion of the formalities by all Contracting States.

Article: 23 Reservations:

This Agreement may not be signed with reservations nor shall reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

Article: 24 Amendments:

This Agreement may be modified through amendments to this Agreement. All amendments shall become effective upon acceptance by all Contracting States.

Article: 25 Depositary:

This Agreement shall be deposited with the Secretary General of SAARC who shall promptly furnish a certified copy thereof to each Contracting State.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on the SAARC Preferential Trading Arrangement.

Done at DHAKA this ELEVENTH day of APRIL, One Thousand Nine Hundred Ninety Three (April 11, 1993) in eight originals in the English language.

A.S.M. MOSTAFIZUR RAHMAN

Minister of Foreign Affairs, People's Republic of Bangladesh

DAWA TSERING

Minister of Foreign Affairs, Kingdom of Bhutan

DINESH SINGH

Minister of External Affairs, Republic of India

FATHULLA JAMEEL

Minister of Foreign Affairs, Republic of Maldives

MAHESH ACHARYA KANJU

Minister of State for Foreign Affairs, His Majesty's Government of Nepal

MOHAMMAD SIDDIQUE KHAN

State Minister of Finance, Islamic Republic of Pakistan

HAROLD HERAT

Minister of Foreign Affairs, Democratic Socialist Republic of Sri Lanka

Appendix-13

Designated SAARC Years

After 1989, SAARC has been observing to select various years to focus on certain themes of general apprehension to the member countries. Plat form of Action both national and regional levels were applied in the subsequent years:

- 1989 - SAARC Year for Combating Drug Abuse and Drug Trafficking
- 1990 - SAARC Year of Girl-Child
- 1991 - SAARC Year of Shelter
- 1992 - SAARC Year of Environment
- 1993 - SAARC Year of Disabled Persons
- 1994 - SAARC Year of the Youth
- 1995 - SAARC Year of Poverty Eradication
- 1996 - SAARC Year of Literacy
- 1997 - SAARC Year of Participatory Governance
- 1991 to 2000 - SAARC Decade of the Girl-Child

Appendix-14

SAARC SUMMITS HELD SINCE 1985

- 1st SAARC Summit 7-8 December 1985, Dhaka
- 2nd SAARC Summit 16-17 November 1986, Bangalore
- 3rd SAARC Summit 2-4 November 1987, Kathmandu
- 4th SAARC Summit 29-31 December 1988, Islamabad
- 5th SAARC Summit 21-23 November 1990, Male'
- 6th SAARC Summit 21 December 1991, Colombo
- 7th SAARC Summit 10-11 April 1993, Dhaka
- 8th SAARC Summit 2-4 May 1995, New Delhi
- 9th SAARC Summit 12-14 May 1997, Male'
- 10th SAARC Summit 29-31 July 1998, Colombo
- 11th SAARC Summit 4-6 January 2002, Kathmandu

Appendix-15

SAARC MINISTERIAL MEETINGS HELD ON SPECIFIC AREAS:

- Economic - 1986;
- Commerce - 1996, 1998, 1998, 1999, 1999, 2001;
- Women - 1986, 1990, 1993, 1995;
- Children - 1986, 1992, 1996;
- Environment - 1992, 1997, 1997, 1998;
- Disabled Persons - 1993;
- Youth - 1994;
- Poverty Alleviation - 1994, 1996, 2002;
- Housing - 1996;
- Agriculture - 1996;
- Tourism - 1997;
- Information - 1998; 2002
- Communications - 1998.

Appendix-16

DESIGNATED SAARC YEARS

- 1989 - SAARC Year of Combating Drug Abuse and Drug Trafficking
- 1990 - SAARC Year of Girl-Child
- 1991 - SAARC Year of Shelter
- 1992 - SAARC Year of Environment
- 1993 - SAARC Year of Disabled Persons
- 1994 - SAARC Year of the Youth
- 1995 - SAARC Year of Poverty Eradication
- 1996 - SAARC Year of Literacy
- 1997 - SAARC Year of Participatory Governance
- 1991-2000 - SAARC Decade of the Girl Child

Appendix-17

MOUs signed with other Organizations:

- UNCTAD (1993)
- UNICEF (1993)
- APT (1994)
- ESCAP (1994)
- UNDP (1995)
- UNDCP (1995)
- EC (1996)
- ITU (1997)
- CIDA (1997)
- WHO (2000)
- UNIFEM (2001)

SAARC Regional Centres:

- SAIC (Dhaka, 1988)
- STC (Kathmandu, 1992)
- SDC (New Delhi, 1994)
- SMRC (Dhaka, 1995)
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