

5. The other steps taken to improve Intra-SAARC Regional Trade include the following :

- (a) It has been decided to establish an institutional mechanism like SAARC Arbitration Board for settlement of trade disputes within the region.
- (b) It has been decided to establish a Group on Customs Cooperation with a view to simplify the custom procedures, harmonisation of classification and valuation rules, electronics data base and training of personnel in customs procedures.
- (c) Steps are being taken to standardise the manufacturing specifications of export goods in the region.
- (d) In order to promote intra-regional investment, information relating to investment regulations in the Member States is exchanged on regular basis through the SAARC Secretariat, Kathmandu.
- (e) A Tripartite Study has been instituted with participation from Academia, Governmental and Trade sectors to suggest measures for promoting economic cooperation among the Member States.
- (f) Efforts are being made to improve the transport and transit infrastructure in the SAARC region.
- (g) European Union are being approached to recognise SAARC as an Association for according Cumulative Rules of Origin for GSP Treatment to promote exports from SAARC Region to the Western countries.
- (h) Information relating to bulk purchases by Government agencies in the SAARC region is being shared by the Member States.
- (i) It has been decided to hold meetings of SAARC Commerce Ministers on regular basis to monitor the progress of trade cooperation. The first meeting of SAARC Commerce Minister was held in New Delhi in January 1996 and the second meeting is proposed to be held shortly to suggest measures for promoting intra-regional trade.
- (j) The first SAARC Trade Fair was held in Delhi in January 1996 and the second one is scheduled to be held shortly.
- (k) At the business level the SAARC Chamber of Commerce and Industry (SCCL) plays an important role by organising seminars, workshops and meetings.

ECB Application for Loans

1237. SHRI N.S.V. CHITTHAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have empowered RBI, Mumbai to approve the External Commercial Borrowings applications;

(b) if so, whether the RBI, Mumbai adhere to the guidelines issued for approving of ECB; and

(c) if not, the reasons therefor and the steps taken by the Government to streamline the ECB system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir. The Government of India has authorised the Reserve Bank of India to consider applications for raising short term foreign currency loans with maturity less than 3 years. Recently with effect from 15th December, 1996, Government have also delegated the sanctioning powers to RBI for the USD 3 million scheme.

(b) Yes, Sir.

(c) Does not arise in view of (b).

Action Plan for Indo-Pak Trade Agreement

1238. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether Federation of Pakistan Chamber of Commerce and Industry and Punjab, Haryana and Delhi Chamber of Commerce and Industry of India have submitted a comprehensive action plan to their respective Government for formulation of a broad-based Indo-Pak Trade Agreement and expeditious establishment of Joint Business Council;

(b) if so, whether 22 - Member EPCCI and PHDCCI held a meeting in New Delhi on December 24, 1996 to finalise the plan;

(c) if so, the details of outcome thereof;

(d) whether both the Governments have approved the draft proposals; and

(e) if so, by what time Indo-Pakistan Trade Pact is likely to be signed?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e) The Federation of Punjab, Haryana and Delhi Chamber of Commerce and Industry (PHDCCI) had a meeting with a 26 member delegation from Federation of Pakistan Chamber of Commerce and Industry (FPCCI) on December 24, 1996. During the meeting, certain suggestions were made for improving bilateral economic cooperation between India and Pakistan which include interalia, formulation of Indo-Pak Trade Agreement, Indo-Pak Joint Business Council etc.

PHDCCI is yet to prepare the comprehensive paper on this issue. Government have no information as to whether FPCCI has submitted any action plan on this issue to the Pakistan Government.

[Translation]

Privatisation of Public Sector Banks and Financial Institutions

1239. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government propose to privatise some public sector banks and financial institutions;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the steps taken in this regard till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) There is no proposal under consideration of the Government at present for privatisation of any public sector bank. So far, the State Bank of India and four nationalised banks viz. Oriental Bank of Commerce, Dena Bank, Bank of Baroda and Bank of India have raised additional equity from the capital market. The statutes governing the public sector banks do not envisage majority shareholding of the public sector banks by private shareholders. In so far as financial institutions are concerned, there is no proposal for their privatisation under consideration of the Government at present.

[English]

Amendment to Coal Mines Nationalisation Act, 1973

1240. DR. ASIM BALA :

SHRI NARAYAN ATHAWALAY :

Will the Minister of COAL be pleased to state :

- (a) whether the Government propose to make changes/amendments in Coal Mines Act, 1973 and the Mines and Minerals Regulation Act, 1957;
- (b) if so, the details thereof; and
- (c) the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Yes, Sir.

(b) and (c) Government have accepted the recommendations of the Committee on Integrated Coal Policy to set up an independent body for exploration of coal and lignite resources and to offer new mining blocks to Indian Companies including public sector companies and power utilities on the basis of competitive bidding. Legislative changes would be necessary to implement these decisions.

[Translation]

Indo-French Economic and Cultural Co-operation

1241. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government have reviewed the Indo-French Economic and Cultural Co-operation;
- (b) if so, the details thereof;
- (c) the names of the main projects assisted by France and the year-wise progress made under these projects during the last three years;
- (d) the details of the projects under consideration for Indo-French co-operation; and
- (e) the steps proposed to be taken to increase the Indo-French economic and cultural co-operation during the next three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) The main projects assisted by France during the last three years are Water management project for Delhi Water Supply and Sweage Disposal Undertaking, Water management project for Jaipur, Hydraulic Shovels for CIL, Blasting Gallery at VK7 of SCCL, Setting up of Geo-scientific Centre at the Geological Survey of India, Installation of fuse gates in Gujarat, Creation of two hatcheries in West Bengal and Gujarat, Exploration of platinum group of metals in Orissa, Fusegate for Upper Tunga Dam, Karnataka and Sterilisation and milk packaging (NDDB and Andhra Pradesh Dairy Development Board). Financial agreement within the framework of Indo-French Protocol during the last three years is as follows :

1994	FF 266.30 million (Rs. 186.4 crore)
1994	FF 370.07 million (Rs. 259.04 crore)
1994	FF 151.00 million (Rs. 105.7 crore)

(d) The details of the projects under consideration for Indo-French Economic cooperation are Supply of Oceanographic equipment and Technical and Scientific assistance to the Indian Programme of Sea-bed investigation in the EEZ of India by Ministry of Mines for FF 550-600 million, Setting up an Environmental Geology Section at the Geological Survey of India by Ministry of Mines for FF 40 million, River Basin Management Policy in Gujarat by Ministry of Water Resources for FF 21 million.

The programmes under consideration for Indo-French Cultural cooperation are in the fields of (a) Art and Culture, (b) Language and Education, (c) Social Sciences and Humanities, (d) Books and Publications, (e) Youth and Sports and (f) Cinema and Audiovisuals.