

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:1408

ANSWERED ON:10.12.2003

INDO-SRILANKA ECONOMIC TIES

GANGASANDRA SIDDAPPA BASAVARAJ;KAMAL NATH;PRABHA RAU;VIRENDRA KUMAR

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether a Joint India-Sri Lanka study group has worked out a framework for negotiations on a comprehensive economic partnership agreement between the two countries;
- (b) if so, whether this report was placed before the Prime Minister when both the Prime Ministers met in New Delhi in October, 2003;
- (c) if so, the extent to which both the leaders have accepted and agreed to sign the agreement;
- (d) the main features of the agreement; and
- (e) the extent to which the Indo-Sri Lanka economic pact will be helpful for both the countries?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI VINOD KHANNA)

- (a) Yes. A Joint Study Group was set up to make recommendations for the establishment of a Comprehensive Economic Partnership Agreement.
- (b) Yes. The Co-Chairmen of the Joint Study Group presented their recommendations to the two Prime Ministers on October 20, 2003.
- (c) The two Prime Ministers expressed satisfaction at the speed with which the Joint Study Group prepared its comprehensive report and directed that negotiations begin immediately with the target of concluding the Comprehensive Economic Partnership Agreement by the end of March 2004.
- (d) The main features of the Agreement will be known only after it has been negotiated.
- (e) It is hoped that the Comprehensive Economic Partnership Agreement will enable the two countries to reap the early benefits of freer trade in goods and services and enhanced investment and economic cooperation. It would take the two countries to a qualitatively new level of engagement by intensifying and deepening bilateral economic cooperation.