GOVERNMENT OF INDIA EXTERNAL AFFAIRS LOK SABHA

UNSTARRED QUESTION NO:2448 ANSWERED ON:24.11.2010 RELAXATION OF SAARC NORMS Ponnam Shri Prabhakar

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether relaxation of the SAARC norms can boost Asian economy;
- (b) if so, the details thereof;
- (c) the reaction of the Indian Government thereto and also the reaction of each SAARC country received during the last three years; and
- (d) the action plan prepared for each country for the current year?

Answer

THE MINISTER OF STATE IN THE MINISTRY EXTERNAL AFFAIRS (SMT. PRENEET KAUR)

- (a): Relaxation of SAARC norms in the areas of trade, travel, transportation and visas, among others, can boost regional economic growth. However, such relaxations of norms have to be agreed to by all the SAARC Members.
- (b): SAARC Member States have taken several important steps in this direction. These include the conclusion and implementation of the South Asian Free Trade Agreement (SAFTA), and the decision under SAFTA requiring SAARC Member States to work towards pruning of their existing sensitive lists by twenty percent. Discussions are underway to address issues relating to Non Tariff Measures (NTMs) and Para Tariff measures (PTMs), Customs facilitation, electronic sharing of trade data, enhancing connectivity, visa facilitation, etc. In order to facilitate business activities in the region, under the SAARC visa exemption scheme, one hundred leading businessmen/ industrialists from each SAARC Member State are given visa exemption stickers as decided by national authorities and the leading Chamber(s) in each country. Negotiations to increase this figure to two hundred for each member state are presently underway.
- (c) & (d): India has shown willingness to shoulder asymmetrical responsibility for promoting trade in the SAARC Region by, inter alia, unilaterally giving duty free acess to SAARC Least Developed Countries (LDCs) from January 1, 2008 and pruning its sensitive list for them from 744 to 480 items under SAFTA, thereby granting them greater access to the Indian market. Other SAARC Member States are also making efforts towards pruning their negative lists. In addition to trade, SAARC Charter Bodies have approved regional perspective plans in other areas such as agriculture, a roadmap for South Asian Economic Union, etc. However, SAARC's mandate does not extend to developing individual country plans.